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BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

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DEPT. OF TRANSPORTATION
DOCKETS
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Application of

AMERICA WEST AIRLINES, INC.

for exemptions from Subparts K and S of
14 C.F.R. Part 93 pursuant to 49 U.S.C.
§ 41718 ("beyond perimeter" slot exemptions)
Washington, D.C. (DCA) – Phoenix, Arizona

Docket OST-00-7181 -45

ANSWER OF
THE CITY OF PHOENIX

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Washington, D.C. (DCA) – Phoenix, Arizona)
)

**ANSWER OF
THE CITY OF PHOENIX**

I. INTRODUCTION AND SUMMARY OF POSITION

On May 5, 2000, America West Airlines ("America West") applied to the Department of Transportation ("Department" or "DOT") for an exemption from Subparts K and S of 14 C.F.R. Part 93 pursuant to 49 U.S.C. § 41718(a) (The Wendell H. Ford Aviation Investment and Reform Act for the 21st Century) ("AIR-21") for 10 new entrant slots at Ronald Reagan Washington National Airport ("Washington National") for services beyond the Washington National perimeter. America West proposes to operate, inter alia, three daily **nonstops** (six new entrant slots) between Phoenix, Arizona and Washington National. The City of Phoenix Aviation Department, the operator of Phoenix Sky Harbor International Airport ("Phoenix"), fully supports America

West's application for the proposed three roundtrips between Phoenix and Washington National and files this answer in support of America West's application.'

At the outset, Phoenix recognizes that the Department has a difficult task ahead. Nine carriers have submitted service proposals for seven different points beyond the current 1,250-mile perimeter rule area. Each application is meritorious; unfortunately, however, **AIR-21** permits the Department to award only a total of six daily roundtrip operations beyond the Washington National perimeter. **AIR-21** provides specific criteria (discussed below) to which the Department is to adhere in granting carriers these **DCA** "beyond perimeter rule" slots. The Department must carefully analyze each application, applying the specific factors articulated in **AIR-21**, as well as traditional Department decisional criteria in route proceedings, including industry structure, competition levels, and overall public benefit.

Beyond the competitive service benefits and market structure issues, the Department also must examine and consider the interests of the communities that would be awarded this new service. In the case of Phoenix, the Department will find a far different community today than when America West first began airline operations in 1983. Today, Phoenix is the 6th largest city in the United States and the 1 3th largest metropolitan area. It enjoys one of the fastest growing economies in one of the fastest growing metropolitan areas in the United States in the fastest growing region of the United States. Phoenix's outstanding quality of life makes it attractive to more and more businesses from all industries. Indeed, a large portion of the high-tech industry has

¹ America West's application also received the strong endorsement of several civic parties and local, state and national elected officials. Phoenix includes herein in Attachment 1 the letter of support of Phoenix Mayor Skip **Rimsza** to Secretary of Transportation Rodney E. **Slater** urging Secretary **Slater** to award six **DCA** "beyond the perimeter rule" slots to America West for Phoenix-Washington National nonstop service.

made a home in Phoenix, including Intel, Honeywell (**AlliedSignal**), and Motorola. Phoenix also is the state capital of Arizona and the gateway to many of America's natural treasures' including the Grand Canyon.

As the City of Phoenix will demonstrate' America West's service proposal is clearly head-and-shoulders above the service proposals of the other applicants. Although America West's large hub at Phoenix has long warranted nonstop service to Washington National' our message to the Department is not one of emotion or sentiment. Rather, it is one of common sense, **fact**, and industry fairness. No other applicant's proposal provides more network competition, new service or overall public benefits than America West's proposed Phoenix-Washington National service proposal.

The following highlights just some of the competitive benefits of America West's proposed Phoenix-Washington National service:

- The first nonstop service between Washington National and the capital of **Arizona** -- Phoenix;
- The largest hub-and-spoke network benefits of any carrier in this proceeding;
- The most service to more of the Western United States from Washington National than any other applicant/city;
- The only full-service, low cost carrier in this proceeding; and
- The only carrier that has been unable **to** serve Washington National from its largest hub for over **15** years.

II. AMERICA WEST AND THE CITY OF PHOENIX HAVE BEEN COMMITTED TO ACHIEVING NONSTOP PHOENIX-WASHINGTON NATIONAL SERVICE FOR MANY YEARS

While **AIR-21** recently was enacted by Congress and signed by President Clinton on April 5, 2000, Phoenix and America West's commitment to achieve nonstop Washington National service goes back several years. Since at least the mid-1990s, America West and Phoenix have worked hard to create an opportunity that would enable America West to provide nonstop service between its largest hub at Phoenix and Washington National.

It has not been an easy task, but, over time, the public benefits of allowing greater numbers of new entrants into the Nation's slot-controlled airports became too compelling for Congress to ignore. The push to achieve lower fares and more service choices began in 1994, when Congress passed the Federal Aviation Administration Act of 1994 (49 U.S.C. § 41714). That legislation authorized the Department to grant new entrant carriers access to the Nation's four slot-controlled airports -- Chicago O'Hare, LaGuardia, JFK, and Washington National. Since then, the Department has issued numerous exemptions from 14 CFR Part 93, Subparts K and S, to provide new entrants access to the slot-controlled airports. Several carriers, including America West, Frontier' and JetBlue, have received exemptions permitting them to introduce service. See, for example, DOT Orders 97-10-I 7; 98-4-21; and 99-9-11.

While Phoenix always applauded these decisions' it was not until the **AIR-21** legislation was enacted that Phoenix, for the first time, has had the opportunity to receive nonstop service to and from Washington National. During Senate debate on **AIR-21**, Senator McCain noted that the purpose of **AIR-21** was "to complete the deregulation of our domestic aviation system for the benefit of consumers and

communities everywhere.” (Cone. Rec., S11891, daily ed. October 5, 1999). As home to an airline born after domestic airline deregulation was enacted, Phoenix could not agree more with Senator **McCain’s** belief and efforts to finish the job that Congress started over **20** years ago.

A. America West’s Application Provides a Greater Level of Public Benefits than Other Applications and Fully Meets the Decisional Criteria Articulated in **AIR-21**

Of the major carriers that operate at Washington National’ only America West cannot provide nonstop service to its largest and second largest hubs because of the perimeter rule (**PHX** Exhibit 1). In fact, four of the carrier applicants in this proceeding -- American’ American **Trans** Air, **TWA** and Northwest -- currently provide nonstop service between ~~every one of their hubs and Washington National~~ every one of its hubs (plus operates the Delta Shuttle), and United, although serving only one of its hubs from Washington National’ has a major hub/gateway located just **35** miles away at Washington **Dulles** (**PHX** Exhibit 2).²

In authorizing these slot exemptions’ Congress instructed the Department to look at specific criteria in determining how to award service beyond the current perimeter rule:

- Provide air transportation with domestic network benefits in areas beyond the perimeter;
- Increase competition by new entrant air carriers or in multiple markets;
- Not reduce travel options for communities served by small hub airports and medium hub airports within the perimeter; and

² Frontier and National are relative newcomers to the U.S. aviation industry and are not major U.S. airlines. In addition, these airlines’ hubs are in their very early developmental stage and can offer only limited connections to the Western United States.

- Not result in meaningfully increased travel delays.

49 U.S.C. § 41718 (a) (1-4).

America West's application best meets the above criteria. It also introduces the type of intercarrier and **interhub** competition that many of the other applicants' proposals simply cannot provide.

III. **PERMITTING AMERICA WEST TO SERVE ITS PHOENIX HUB NONSTOP FROM WASHINGTON NATIONAL PROVIDES MORE DOMESTIC NETWORK BENEFITS AND NET NEW COMPETITION THAN ANY OTHER APPLICANT**

A. America West is the Only Major Network Carrier that Cannot Serve Its Primary Hub Nonstop from Washington National

America West is the only carrier in the United States that was started after the introduction of domestic airline deregulation that has grown into a major U.S. carrier. That it has survived this tumultuous period is no small accomplishment, but it has achieved a great deal more. Over the last five years, America West has achieved an impressive and steady record of growth and profitability (Table 1).

Table 1
Growth in ASMs and Net Income for America West Airlines

	1995	1996	1997	1998	1999
ASMs (000)	19,421,451	21,624,599	23,567,580	24,307,128	25,912,000
Net income \$ (000)	53,786	48,670	74,970	108,571	119,389

Source: Company Reports

As Table 1 shows, since **1995**, America West's available seat miles (**ASMs**) have grown by over **33%**, and its net income has more than doubled.

In its early days, America West connected markets in the Central United States with Western points via its Phoenix hub. Over the years, America West's route network has expanded and, today, America West is the 9th largest airline in the United States and links, via Phoenix, markets in the Eastern United States and Western United States. Its full-service operation caters to both leisure and business travelers' with **first-class** seating, meal service, broad frequent flyer benefits' and alliances with both domestic and international carriers.

No other major carrier currently serving Washington National is as hamstrung by the perimeter rule as America West. Its inability to provide nonstop Washington National-Phoenix service places America West at a distinct competitive disadvantage relative to other carriers in attracting travelers that want to use Washington National. Cities such as San Diego, Orange County, San Jose, Portland, Seattle, Albuquerque and Tucson all can be served on a single-stop or connection basis from Washington National by all carriers except America West. No other example exists where a network carrier at Washington National cannot serve its primary, and, in most cases, its secondary, hub from Washington National.

Table 2
Nonstop Service by Major U.S. Airlines
Between Their Hubs and Washington National

Carrier	Service from Primary Hub	Service from Second Largest Hub
America West	X	X
American	✓	✓
American Trans Air	✓	n/a*
Continental	✓	✓
Delta	✓	✓
Northwest	✓	✓
TWA	✓	✓
United	✓	n/a**
US Airways	✓	✓

* ATA has only one hub.

** United's second largest hub is in Washington at Washington Dulles.

The disadvantage to America West is not insignificant:

Table 3
Daily Hub-Washington National Flights of Major U.S. Airlines

Carrier	Hub	Daily Nonstop Flights to Washington National
American	Chicago O'Hare	11
	Dallas/Ft. Worth	12
	Miami	11
	Total	34
American Trans Air	Chicago Midway	3
Delta	Atlanta	16
	Cincinnati	5
	Dallas/Ft. Worth	3
	JFK	2
	Total	26
Continental	Cleveland	5
	Houston	8
	Newark	10
	Total	23
Northwest	Detroit	9
	Memphis	4
	Minneapolis	7
	Total	20
TWA	JFK	10
	St. Louis	7
	Total	17
United	Chicago O'Hare	17
America West	Phoenix	0
	Las Vegas	0
	Columbus	3
	Total	3
US Airways	Charlotte	11
	Philadelphia	9
	Pittsburgh	6
	Total	26
Total Primary Hub to Washington National Daily Nonstops by All Major U.S. Carriers Except America West		85
Total Primary Hub to Washington National Daily Nonstops by America West		0

Note: Hubs in Red are primary hubs.
Source: Official Airline Guide

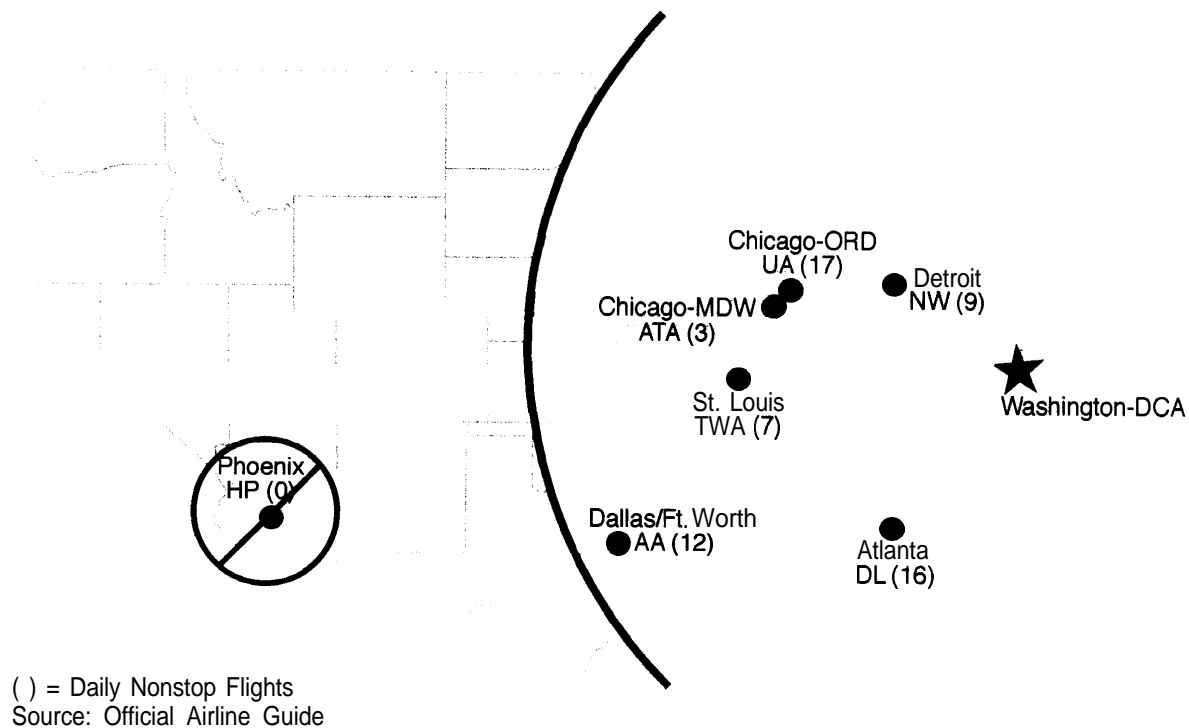
In terms of all major U.S. carriers' nonstop flights to Washington National' the advantages they enjoy over America West are even more lopsided than "85 to 0." It is "381 to 3":

Table 4
Daily Nonstop Flights
of Major U.S. Airlines at Washington National

Carrier	Daily Nonstop Flights
America West	3
American	44
American Trans Air	3
Continental	23
Delta	50
Northwest	20
TWA	17
United	18
US Airways	206
Total All Carriers Except America West:	381
Total America West:	3

Every major full service U.S. airline has nearly six times more flights at Washington National than America West, and, again, every major U.S. airline is allowed to serve Washington National from its primary hub on a nonstop basis except America West. In this proceeding, the other applicants that currently serve Washington **National** operate **64** daily nonstop flights to their primary hubs, while America West is prohibited from operating any.

Daily Nonstop Flights Between Applicants' Major Hubs and Washington National

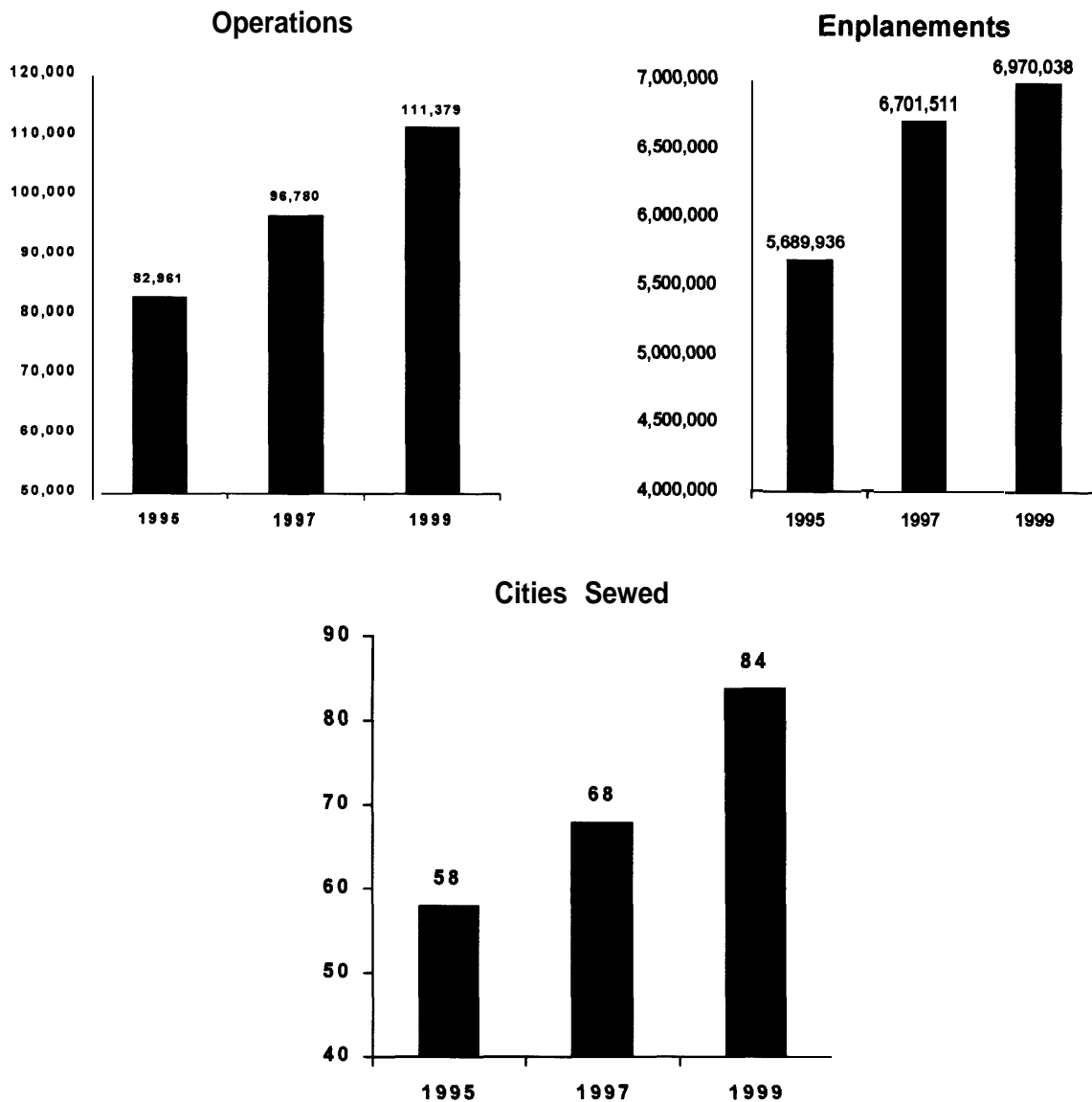


As a result of this lopsided competitive disadvantage, America West's market share between Washington National and Phoenix is only 16.2% -- 118.4% less than the largest carrier in the market, American. (DOT O&D Survey, 4Q1998-3Q1999.) America West, consumers throughout the United States, and competition suffer enormously as a result of America West's singular inability to provide nonstop service between its primary hub at Phoenix and Washington National.

B. Phoenix is the Largest Hub in This Proceeding by Any Relevant Measure, and Offers the Greatest Level of Competitive Network and Public Benefits

As America West has grown, Phoenix, America West's primary hub, has been the centerpiece of its growth (Table 5).

Table 5
America West's Growth
at Phoenix Sky Harbor International Airport



Source: Sky Harbor International Airport

1. *Except for United at Los Angeles, America West Has More Daily Departures at Phoenix than Any Other Applicant Offers for Its Proposed Service*

By fall 2000, America West and its partner, America West Express, will operate 321 daily departures at Phoenix Sky Harbor. As Table 6 demonstrates, Phoenix is the third largest hub in this proceeding based on total departures except for United Airlines at Los Angeles and Northwest/Alaska at Seattle. At Phoenix, America West offers 66 more daily departures than the next nearest carrier applicant -- Delta at Salt Lake City.

Table 6
Number of Total Departures by Western Hub/City

Hub	Carrier	Number of Daily Departures
Los Angeles	United	382
Seattle	Northwest/Alaska	369
Phoenix	America West	321
Salt Lake City	Delta	255
Los Angeles	American	135
Las Vegas	America West	87
Denver	Frontier	53
Las Vegas	National	25
Los Angeles	TWA	13
Los Angeles	ATA	5
San Francisco	ATA	4

Source: Carrier Pleadings; Official Airline Guide

United's operations at Los Angeles are admittedly larger than America West's at Phoenix. The reason United's Los Angeles operation is larger, however, is because United offers an average of 165 daily flights -- over 40% of its total Los Angeles operations -- connecting Los Angeles with the Bay Area or other Southern California airports. These flights focus on the significant O&D flows within California, are an adjunct to United's hub operations, and were operated well before United ever had a hub in Los Angeles.

Northwest can claim a larger Western hub by piggybacking on Alaska's Seattle operation. Two hundred and eight of the daily Alaska departures at Seattle are to points already served by Northwest via its other "within the perimeter" hubs -- Los Angeles, San Francisco, Las Vegas, etc. Accordingly, Northwest would be less likely to route passengers onto the network of another carrier when it can retain the traffic on its own network.

With respect to American, American **Trans** Air, and TWA, each of these airlines contends that it will provide some level of domestic network benefits associated with its application for Washington National-Los Angeles **service**.³ Los Angeles, however, is not a hub for any of these airlines, and none provides any domestic network benefits at Los Angeles. On this basis alone, while each would, to some degree, improve competition in the Washington-Los Angeles city-pair market, none would provide any domestic network benefits. Therefore, based on the statutory criteria that the DOT is required to follow in this proceeding, each of these carriers should be eliminated from consideration for the beyond-perimeter rule slots to be awarded herein. They simply provide no meaningful domestic network benefits.

2. America West Offers More Western United States Departures from Phoenix than Any Other Carrier in This Proceeding Proposes to Offer from Its Proposed Airport

This case is about service between the Western United States and Washington National. Thus, not only is the overall size of an applicant's hub important, but what is even more important is that the carriers which receive exemptions herein provide a high level of service to and within the Western United States.

³ American **Trans** Air also requests a San Francisco-Washington National service.

America West offers **231** services to the Western United States from Phoenix every day (Table 7).

Table 7
Daily Western U.S. Services

Western Hub/City	Carrier	Number of Daily Western U.S. Operations
Los Angeles	United	292*
Phoenix	America West	231
Seattle	Northwest/Alaska	203**
Salt Lake City	Delta	192
Los Angeles	American	105
Las Vegas	America West	57
Denver	Frontier	28
Los Angeles	TWA	20
Las Vegas	National	12
Los Angeles	ATA	2
San Francisco	ATA	2

* 78% (228) of United's Western U.S. service are **intra-California** flights.

** Northwest/Alaska's **369** daily departures were adjusted to reflect illogical routings, e.g., DCA-SEA-PHX.

Source: Carrier Pleadings; Official Airline Guide

3. *America West Serves More Points from Phoenix than Any Other Carrier Serves (or Proposes to Serve) from Their Proposed Airport*

The total number of departures within the Western United States is an important decisional criterion for the Department. However, the Department must examine not only the depth of a carrier's hub (departures) but also the hub's breadth (points served) to determine the full amount of public benefits offered by each applicant. This is particularly important in this proceeding because carriers are not free to add flights as they wish. Thus, the Department must make sure that the largest number of points behind/beyond the point from which Washington National service is proposed are served by the new nonstop service from Washington National.

America West's **321** daily departures from Phoenix provide service to **80** U.S. destinations and an additional ten Mexican and Canadian points. Phoenix offers nonstop service to nearly **40%** more destinations than the next closest airline (Table 8).

Table 8
Number of Markets Served by Applicants at Their Proposed Hub/Airport

Hub/Airport	Applicant	Number of Markets Served
Phoenix	America West	90
Salt Lake	Delta	65
Los Angeles	United*	59
Seattle	Northwest/Alaska	46
Las Vegas	America West	38
Los Angeles	American	22
Denver	Frontier	10
Los Angeles	TWA	8
Las Vegas	National	7
Los Angeles	American Trans Air	2
San Francisco	American Trans Air	2

* While United operates **382** daily departures at Los Angeles (Table 6) and **292** daily Western U.S. departures (Table 7), it serves only **59** markets, which demonstrates that United's Los Angeles operations remain highly focused on **intra-California** high-frequency flights (hub depth) as opposed to hub breadth.

Source: Carrier Pleadings; **Official** Airline Guide

In addition to the overall size of the hub, the number of Western points from and to which passengers traveling to Washington National can connect is important. Phoenix and America West are the leaders in this category. America West serves **42** Western United States points (Table 9).

Table 9
Number of Western U.S. Markets Served by Each Applicant at Its Hub/Airport

Hub/Airport	Carrier	Western U.S. Markets Served from Hub
Phoenix	America West	42
Salt Lake City	Delta	40
Seattle	Northwest	38
Los Angeles	United	32
Las Vegas	America West	19
Los Angeles	American	13
Denver	Frontier	10
Los Angeles	TWA	6
Las Vegas	National	2
Los Angeles	American Trans Air	1
San Francisco	American Trans Air	1

Source: Carrier Pleadings, Official Airline Guide

The Department recently recognized the benefits to airlines of receiving scarce authority to serve their hubs in the 1999 U.S.-Italy Combination Service Case. In that case, in awarding Atlanta-Rome authority to Delta, the Department noted that:

[T]he selection of Delta would intensify intergateway competition in the U.S.-Italy market since Delta would serve Italy from its major hub in Atlanta and, thus, be able to serve Italy just as other carriers now serving can do so from one of their major hub cities.

DOT Order **99-4-21**, p. 4 (April 27, 1999).

While the above-cited case was an international route case, the precedent applies, mutatis mutandis, in this proceeding. America West cannot serve Washington National from its major hub in Phoenix. A grant to America West of beyond perimeter rule slot exemptions would permit America West to serve Phoenix and the Western United States in the same way other carriers provide service between Washington National and their primary hubs.

C. America West Provides More Overall Network Benefits and New Competitive Single-Connect Services than **Any Other Applicant**

Based solely on number of hub departures' Western U.S. hub departures' cities served, and Western U.S. cities served, Phoenix and America West demonstrate a compelling argument for granting America West the six slots at **DCA** that it needs to inaugurate Phoenix-Washington National nonstop service. There are additional compelling arguments. America West's penetration of the Western United States is so thorough that America West's proposed service introduces significant new competitive network benefits to more communities than any other applicant in this proceeding.

A grant of three daily roundtrips between Phoenix and Washington National will make possible the first-ever single connection service to Washington National from 15 communities in Arizona, New Mexico, and California (Table 10).

Table 10
Proposed First-Ever Single Connect Services to Washington National

Hub/Airport	Carrier	Number of First-Ever One-Stops
Los Angeles	United	16
Seattle	Northwest/Alaska	16
Phoenix	America West	15
Salt Lake City	Delta	10
Los Angeles	TWA	5
Los Angeles	American	4
Las Vegas	America West	2
Los Angeles	American Trans Air	1
San Francisco	American Trans Air	1
Denver	Frontier	0
Las Vegas	National	0

Source: Carrier Pleadings

For those markets in the Western United States that already have **single-**connection service to Washington National' America West would add three additional daily one-stop services in **27** markets, ranging from Spokane and Seattle in the

Northwest to San Diego, Tucson, and Albuquerque in the Southwest. Again, by utilizing the strength of its Phoenix hub, America West will provide additional single stop connecting service to significantly more points than United at Los Angeles or Northwest at Seattle (Table 11).

Table 11
Proposed New Competitive Markets

Hub/Airport	Carrier	Number of New Competitive Markets
Salt Lake City	Delta	30
Phoenix	America West	27
Las Vegas	America West	17
Los Angeles	United	16
Seattle	Northwest	16
Las Vegas	America West	15
Denver	Frontier	10
Los Angeles	American	9
Los Angeles	TWA	1
Los Angeles	American Trans Air	0
San Francisco	American Trans Air	0

Source: Carrier Pleadings

In addition to the large number of competitive markets served at Phoenix, the Phoenix hub also serves the most beyond-the-hub Washington National-Western United States O&D passengers of any hub/city in this proceeding (Table 12).

Table 12
Washington Area O&D for Western Points from Hub City

Origin	Carrier	Washington National O&D
Phoenix	America West	1,374,790
Salt Lake City	Delta	1,345,850
Denver	Frontier	910,240
Los Angeles	United	911,590
Los Angeles	American	453,020
Seattle	Northwest/Alaska	262,120

Source: DOT O&D Survey

In the 1998 U.S.-South Africa Third-Country Code-Share Opportunities Proceeding, the Department awarded Delta the authority to code share to South Africa because “Delta’s proposal offered greater public benefits because it would facilitate service at a greater number of U.S. cities” (DOT Order **99-1-5**, p. 2). Similarly, in this case, America West proposes the most markets and the most frequencies.

In sum, by any relevant measure, America West is the largest carrier in the West serving the largest Western U.S. hub -- Phoenix. The network benefits are clear, the competitive benefits are clear, and the public benefits of America West **Phoenix-Washington National** service are clear. America West -- and Phoenix -- deserve an allocation of six **DCA** slots in this proceeding to enable America West to begin three daily Phoenix-Washington National nonstop services.

**IV. AMERICA WEST'S LOW FARES AND LARGE AIRCRAFT WILL
BENEFIT THE MOST PASSENGERS OF ALL THE NETWORK
APPLICANTS**

A. America West Will Offer Passengers Significant Network Savings

While America West is at a competitive disadvantage due to its inability to serve Phoenix on a nonstop basis from Washington National' the consumer is harmed the most. America West is well known as a carrier that offers significant savings compared to other major carriers' published fares. Because of its focus on keeping its costs low (American Trans Air Exhibit, p. 33), America West is able to offer passengers, in every booking class, significant savings over what other major carriers charge on similar routes. (America West Application, Exhibit 12). In the case of Washington National service, the estimated savings to consumers if America West were able to operate nonstop service between Phoenix and Washington National are over \$11 million per year. (Id. at Exhibit 14). The Department has in the past recognized America West's low fares as a public benefit:

Grant of America West's application will enable it to provide a low-fare stimulus for O'Hare travelers to and from Phoenix, Las Vegas, and other West Coast destinations.

. . .

America West's relatively limited presence in the O'Hare-Phoenix and O'Hare-Las Vegas markets has had a positive effect on fares, but the severe limits on its access to O'Hare constrain the degree of its ability to influence price in those markets and other markets it serves with connections over Phoenix and Las Vegas. Average fares in those markets are materially lower than average fares in other hub markets of comparable distances.

DOT Order 98-4-21 at 13.

**B. America West is Proposing the Largest Aircraft
Among Network Carriers**

Without question, America West's Phoenix operations provide superior network and competitive benefits compared to the service proposals of the other applicants. America West's proposal also is designed to benefit the largest number of passengers per operation by using **B-757** aircraft. America West's Boeing **757** aircraft are configured in a two-class configuration, which accommodates **190** passengers. No other carrier in this proceeding that offers two service classes would provide as much capacity as America West. By using its largest aircraft (and the largest aircraft able to operate at Washington National)' America West ensures that as many Washington National-destined and -originating travelers as possible can avail themselves of the nonstop service and cost savings that America West proposes. Similarly, by awarding six slots in this proceeding to America West for Phoenix-Washington National nonstop service, the Department would ensure that those scarce and valuable "beyond the perimeter rule" slots will be put to the maximum use and produce the maximum public benefits.

**C. America West Phoenix-Washington National Service Will Not Harm
Other Communities or Increase Travel Delay**

Grant of an exemption for America West to serve the Phoenix-Washington National market on a nonstop basis will not cause any change in air service to small or medium hub airports within the perimeter. America West has stated that it is committed to retaining its existing Washington National-Columbus service. (Id. at 19). In addition' America West's proposed service would not contribute any meaningful increased travel delay. In fact, America West's **B-757s** offer the most capacity of any carrier offering two-class service in this proceeding. This means that more passengers bound for

Phoenix or Washington National can enjoy the convenience of a nonstop service on America West than on any other network carrier in this proceeding.

For travelers going beyond Phoenix, Phoenix's weather produces no airport closures due to inclement conditions such as snow or ice (Salt Lake/Denver) or fog or rain (Los Angeles/San Francisco/Seattle). Sky Harbor also is committed to adding capacity to prevent traffic delays. A third runway currently is under construction and is scheduled to open in fall 2000. The third runway is expected to increase Sky Harbor's capacity by 20%.

V. THE OTHER APPLICANTS PROPOSALS SIMPLY DO NOT OFFER AS MANY PUBLIC BENEFITS AS AMERICA WEST

While all of the applicants have presented serious service proposals, none of them offers the combination of domestic network benefits' market selection, capacity, or overall competitive and public benefits that America West does. A more detailed review of each carrier's proposal makes this point clear.

American

As detailed in American's application for an exemption' American's proposal provides limited benefits outside the local Los Angeles-Washington market. The carrier only proposes to introduce first-ever connections to Washington National from four new points, and connecting service to only a limited number of new markets (American Application at 3-4). American's benefits are small because it is proposing **non-hub-to-non-hub** service.

Aside from the very limited public benefits that American's proposal offers, American seems to misunderstand the point and genesis of this proceeding. American asks the Department for a grant of slots to "redress the competitive imbalance at Los

Angeles International Airport, where United Air Lines is the largest carrier.” Id. at 4. American does not need an exemption at Washington National to add additional service at Los Angeles in an effort to counter United’s presence in the Los Angeles market because United has no nonstop service between Washington National and Los Angeles. Thus, American seeks an advantage, not a level playing field.

American goes on to suggest that grant of a **DCA** exemption would make “American a stronger competitor at Los Angeles in general, and in the Los **Angeles**-Washington market in particular” (Id. at 5). If American seeks a stronger competitive position in either the Washington or Los Angeles markets, American is free to add service at Los Angeles and add additional **service** at Washington **Dulles**. Given the **32** daily nonstop flights between Los Angeles and the Washington Region, a grant of two daily **nonstops** to American between Los Angeles and Washington National is unlikely to alter, even modestly’ the current market shares or market conditions.

American Trans Air

ATA’s application to serve both Los Angeles and San Francisco from Washington National represents a significant change in **ATA’s** current scheduled airline strategy, which has **focussed** predominantly on Chicago-Midway. **ATA** has very little presence at Los Angeles, San Francisco or Washington National offering only a total of 11 flights among the three cities, and it is unclear how Washington National operations to Los Angeles or San Francisco would fit into its Midway development strategy. Like American’s proposal, **ATA’s** service would be non-hub-to-non-hub. Moreover’ **ATA** offers virtually no network benefits at either Los Angeles or San Francisco (a statutory precondition to an award in this proceeding). While **ATA** does offer low fares, its service

proposal simply does not provide the level of overall public benefits to warrant an exemption ahead of America West.

Delta

Delta's request for a Salt Lake City-Washington National exemption suffers from a number of weaknesses. First, Salt Lake City does not appear to figure very prominently in the Delta hub/route network. Since 1997, Delta has actually shrunk the size of its Salt Lake City hub by 5.8%. Departures have dropped from 64,408 to 59,967. (Official Airline Guide). Second, Salt Lake City has the smallest local O&D to Washington National' Washington **Dulles**, or Baltimore/Washington International of any hub in the proceeding -- smaller than Phoenix, Denver, Las Vegas, Seattle, Los Angeles and San Francisco. With only approximately 300,000 annual passengers, the local Salt Lake City-Washington Region O&D is 60% smaller than the next nearest community -- Las Vegas. (DOT O&D Survey, YE 3Q1999).

Finally, nearly two-thirds of the points served behind Salt Lake City already receive at least two competitive services between Washington National and the Western United States. Given the scarcity of the "beyond perimeter rule" slot exemptions available' it simply is not in the public interest to grant Delta scarce and valuable **DCA** slots for Salt Lake City service.

Frontier

While Frontier would offer the first-ever nonstop service between Washington National and Denver, the benefits that Frontier proposes simply do not match the level of America West at Phoenix. Because of Frontier's small route network, the carrier is unable to provide either the domestic network connections or benefits of America West.

Frontier claims that it would serve **71.8%** of all Western traffic to/from Washington National (Frontier Application at **13**). America West offers service to all points Frontier serves, as well as over **30** additional points, including San Jose, Ontario, Tucson, and other important points that contribute to the nearly **30%** of Washington National-Western U.S. traffic Frontier does not serve.

Finally, Frontier only proposes to operate **B-737-300** aircraft for the **Denver-Washington National** service. The **B-737-300** is the smallest Boeing aircraft in this proceeding. It has **40%** less seats than the **190-seat B-757** aircraft that America West proposes for its Washington National service. The Department should not grant slots to any carrier not proposing at least **B-757** service, given the limited number of slots available for award.

National

Operating for approximately one year, National would have the Department award one-half of all the frequencies available in this case for its proposed service at Las Vegas. The Department should not approve National's application because it simply does not provide significant network benefits. National currently offers service from only two points beyond Las Vegas -- Los Angeles and San Francisco. Moreover' Las Vegas-Washington National is the smallest market in this proceeding (DOT O&D Survey, YE **3Q1999**), and the O&D between Las Vegas and the entire Washington

Region is the second smallest of any in this proceeding, even with the low fare market stimulation found at **BWI**. (Id.).

Northwest

Northwest's proposal for a single-daily nonstop service with a **120-seat Airbus A-319** provides one of the lowest levels of network benefits of any carrier in this proceeding. By using the Seattle hub of its code-share partner Alaska Airlines' Northwest hopes to convince the Department of its significant service from Seattle. Yet, as Exhibit NW-I shows, most of the markets where Northwest would provide service are in California or Montana. Many of the markets shown already are served by Northwest via its Detroit or Minneapolis hubs. (Official Airline Guide).

TWA

TWA's application for Los Angeles-Washington service does not offer any domestic network benefits. TWA has very few operations at Los Angeles, offering only 13 daily flights. For 1999, Los Angeles only accounted for 2.1% of TWA's system-wide enplanements. (Aviation Daily, April 5, 2000). TWA's recent growth has focused on its St. Louis hub and San Juan, Puerto Rico. (Aviation Daily, "TWA Plans Increased Flights to San Juan," June 18, 1999). The carrier has given no indication of a new commitment to Los Angeles before its application.

United

Among the Los Angeles applicants, only United operates a hub at Los Angeles. However, United also operates a hub nearby to Washington National at Washington **Dulles**. Thus, United passengers already have an option to fly on United nonstop services to Los Angeles. When combined with other nonstop Los Angeles services operated at either **Dulles** or Baltimore/Washington, Los Angeles travelers have a choice of **32** daily nonstop services to the Washington Region. An award of two additional nonstop services to the largest carrier between Los Angeles and Washington would undermine Congress' intent to provide additional domestic network benefits. In fact, United's Los Angeles travelers are better served with its current high levels of Los Angeles-Washington **Dulles** service because of United's hub at **Dulles**, which provides important services to destinations throughout the Northeast and Southern United States.

Congress intended to increase competition between Washington National and points beyond the perimeter boundary. Granting United an exemption to fly between Los Angeles and Washington National ahead of America West's proposed **Phoenix**-Washington National service would not further that objective.

VI. PHOENIX IS ONE OF THE FASTEST GROWING CITIES AND IS A GREAT CITY FOR BUSINESS

A. Phoenix is One of The Nation's Fastest Growing Markets

Phoenix is renowned for its good weather and abundance of leisure activities available on a year-round basis. But, Phoenix is much more than that. It is, today, a dynamic and active business center and is one of a handful of U.S. cities known for conception, design, manufacture and assembly of high tech products.

Currently, the City of Phoenix is the **6th** largest city in the United States (**PHX Exhibit 3**). Between **1970** and **1996**, the Greater Phoenix metropolitan area grew from the **34th** largest in the United States to the **13th** largest -- faster than any other metropolitan area in the United States (**PHX Exhibit 4**). Since **1996**, this growth in Phoenix has not slowed. Between July **1998** and July **1999**, only Los Angeles County had more net population gains than Phoenix's **Maricopa** County. (U.S. Census Bureau, March **2000**). Over **77,000** residents moved to Phoenix during that time period. (Id.)

Phoenix is located in the Southwestern region of the United States -- the fastest growing region of the country (**PHX Exhibit 5**). This region leads the Nation in population, employment, and personal income growth, as well as many other categories.

B. Phoenix Has an Impressive Business Community

Greater Phoenix is home to some of the leading companies in the United States. Phoenix is now commonly referred to as the Silicon Desert because of the concentration of semiconductor manufacturers located in the region (**PHX Exhibit 6**). In fact, more semiconductor microchips are produced in Greater Phoenix than in Silicon Valley.

Phoenix is not just high-tech. Countless other companies have a large presence in Phoenix, including Boeing, **Karsten** and Revlon (**PHX Exhibit 7**). Because of all the large companies located in Arizona and Phoenix, the Phoenix economy would rank as the world's **37th** largest economy in terms of **1998** gross product (**PHX Exhibit 8**).

The economy in Phoenix is as strong as any city in the United States. Phoenix is the fastest growing job market in the Western United States and, in the past year,

among Western markets, only Los Angeles produced a greater number of new jobs (PHX Exhibit 9).

Phoenix's economic growth is not expected to end soon. So far this year, Intel and Microchip Technology both announced substantial capacity expansions leading to future new job creation. Intel, for example, will build its second silicon wafer manufacturing facility in Phoenix at an estimated cost of \$2 billion. Only Atlanta is projected to create more new jobs over the next 25 years than Phoenix (PHX Exhibit 10).

Because Phoenix's economy has grown so rapidly and become so diverse, Phoenix is no longer a seasonal market. One need only examine the relatively balanced passenger figures at Sky Harbor to understand that Phoenix is a year-round market (PHX Exhibit 11).

Washington National is an airport that caters to the business market. America West's Phoenix-Washington National service will permit, for the first time, Phoenix's large (and growing) business community to enjoy what dozens of other cities already enjoy: nonstop service to Washington National.

VII. CONCLUSION

By any measure or criteria that the Department might apply in this case, America West's proposal to offer three daily nonstop service between Phoenix and Washington National is clearly superior to all other proposals. America West will provide:

- More capacity
- More connections
- More markets served for the first time
- More new competition across hubs
- More intercarrier competition
- More overall public benefits

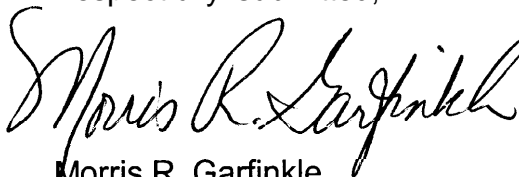
Because of the benefits that will not only accrue to Phoenix travelers, but to travelers throughout the entire Western United States, the City of Phoenix, Department of Aviation urges the Department to grant America West six Washington National "beyond the perimeter rule" slots and an exemption to enable America West to inaugurate three daily Phoenix-Washington National nonstop services.

Respectfully submitted,



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Assistant Chief Counsel
City of Phoenix Law Department
200 West Washington Street
Phoenix, AZ 85033

Telephone: (602) 273-3331
Facsimile: (602) 273-4580
plefevre@ci.phoenix.az.us



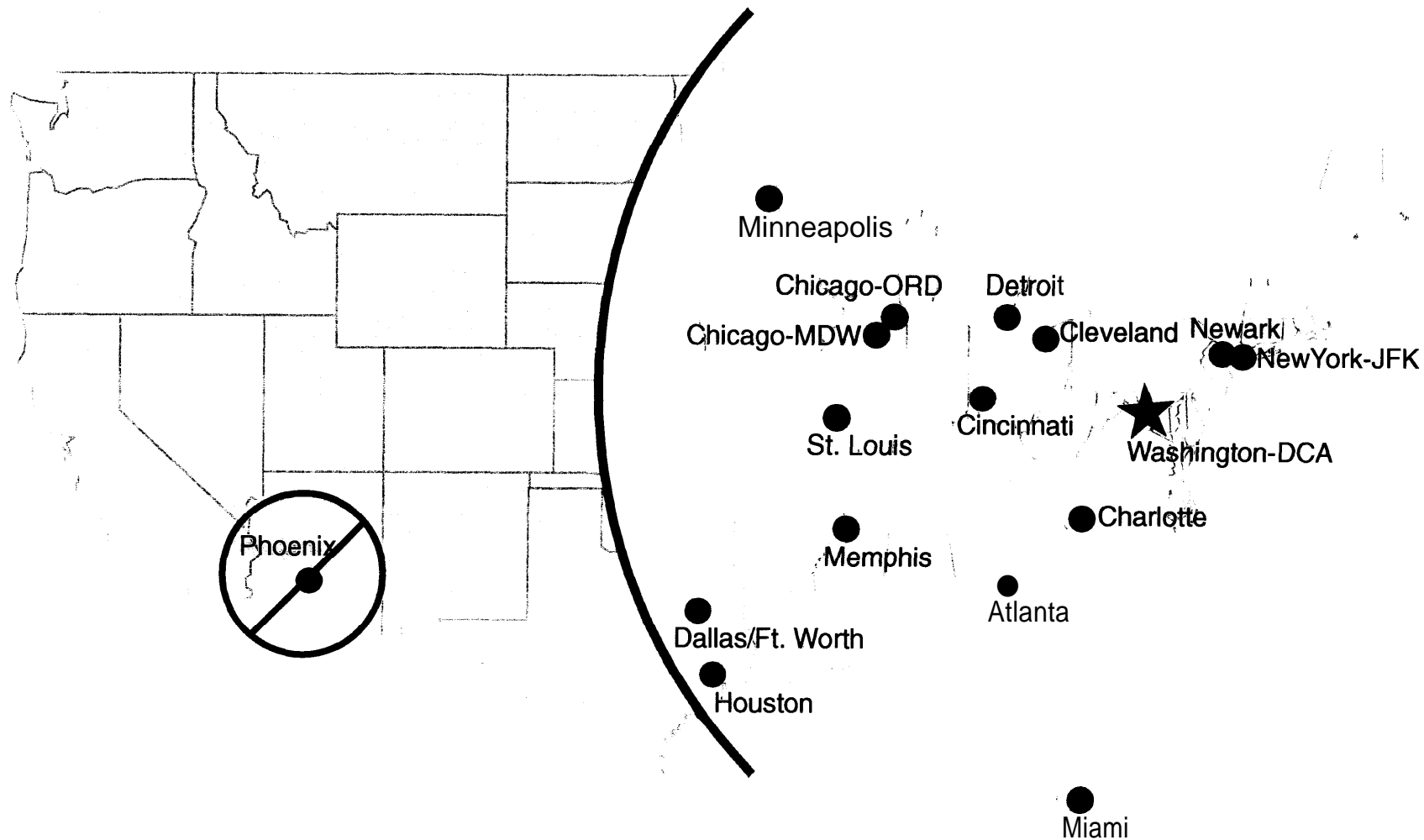
Morris R. Garfinkle
Howard E. Kass
Russell H. Wodiska
GKMG Consulting Services, Inc.
1530 Wilson Boulevard, Suite 400
Arlington, VA 22209

Telephone: (703) 312-0350
Facsimile: (703) 516-2773
mgarfinkle@gkmg.com

May 22, 2000

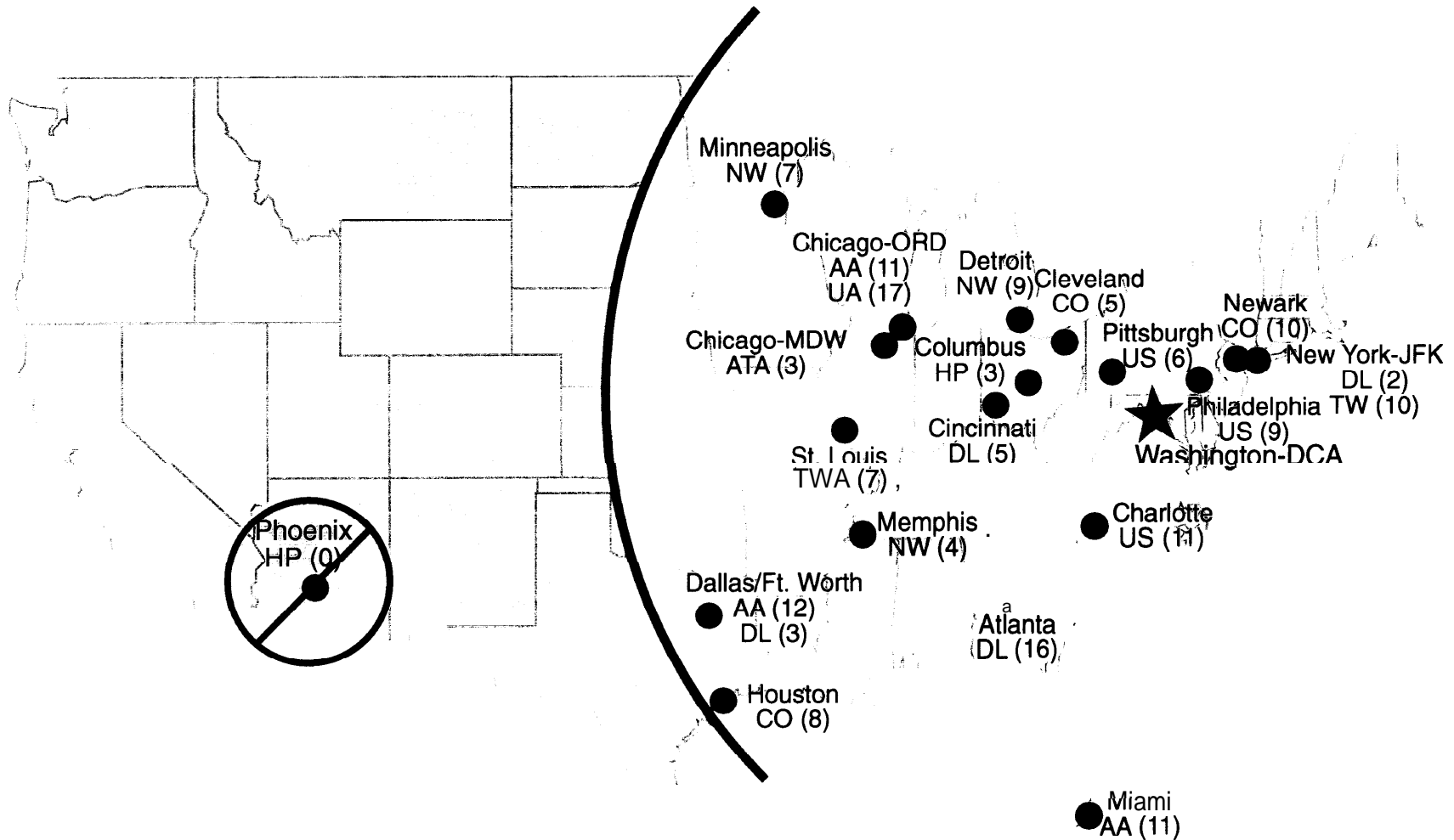
Exhibits

The Perimeter Rule Prevents Nonstop Flights to America West's Hub Operations at Phoenix



Other Carriers Operate 166 Daily Flights Between Washington National and Their Hubs ...

America West Has No Nonstop Access to Its Hub at Phoenix



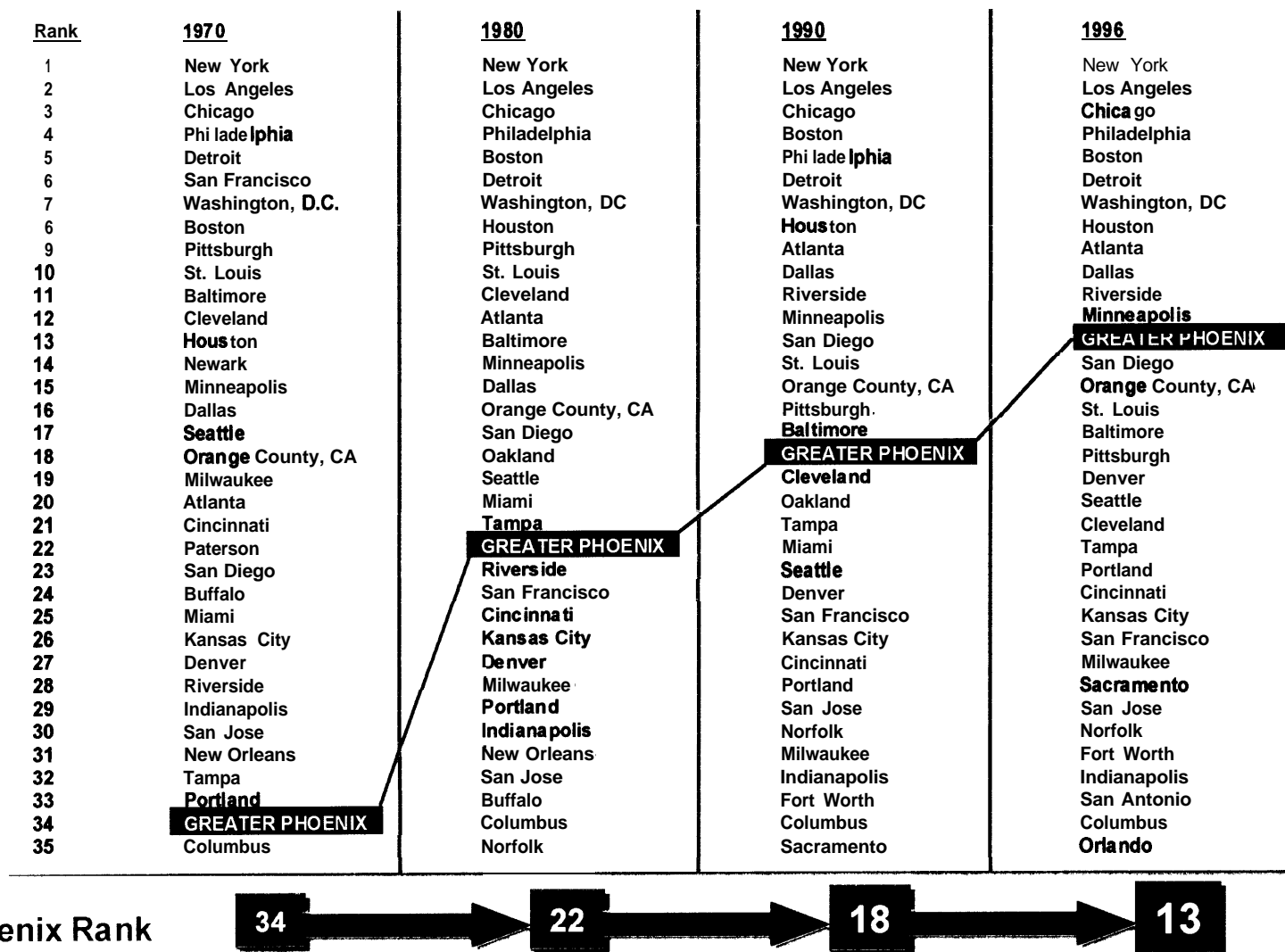
() = Daily Nonstop Flights

Source: Official Airline Guide

Phoenix is the 6th Largest City in the United States

Rank	City	Population
1	New York	7,313,800
2	Los Angeles	3,420,500
3	Chicago	2,708,000
4	Houston	1,710,600
5	Philadelphia	1,503,000
6	Phoenix	1,210,420
7	San Diego	1,197,676
8	Dallas	1,033,600
9	San Antonio	1,025,300
10	Detroit	979,900

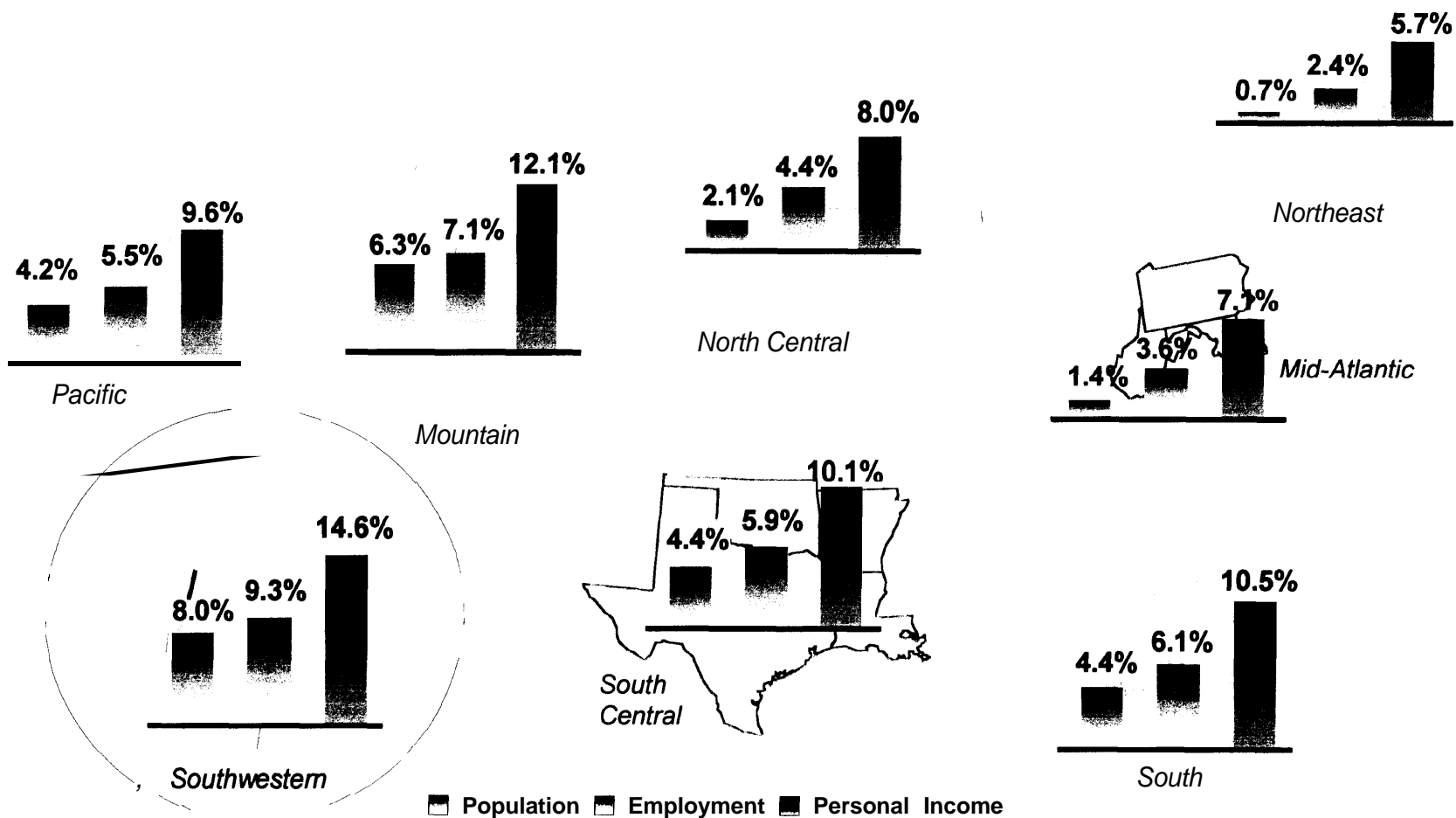
Since 1970, Phoenix Has Grown Fastest Among the 35 Largest Metropolitan Statistical Areas in the United States



Source: Department of Commerce, Bureau of the Census

The Southwestern Region Continues to be the Fastest Growing Region in the United States

Forecast Growth Rates 2001-2005



Phoenix is the Silicon Desert



Intel announced plans to add to its US\$1.3 billion chip plant in Phoenix by building a new US\$2 billion high-volume chip fabrication plant that will employ 1,000



STMicroelectronics will invest US\$100 million to expand its US\$600 million computer chip plant -- adding a distribution center and boosting production capacity of its integrated circuits used in cell phones, palm pilots and automobiles



Motorola has its Semiconductor Products Sector headquarters in Phoenix and plans to invest US\$1.1 billion in new Phoenix facilities over the next few years



Microchip Technology announced plans in April 2000 to expand its US\$1 billion campus facility and chip plant -- adding office space, clean-room manufacturing capacity, a parking garage, and a utility building



Philips Semiconductor plans to establish the worldwide headquarters for its standard analog chip business in Greater Phoenix, which will double its Phoenix employment by 2003



Sumitomo Sitix operates a US\$500 million silicon wafer plant in Phoenix

Leading Industries and Corporations Are Well Represented in Arizona

- **ELECTRONICS**

Intel
Microchip Technology
Motorola
AG Communications Systems
STMicroelectronics
Philips **Semiconductors**
Litton **Electro** Optical Systems
Honeywell
HADCO
Sumitomo Sitix

- **CORPORATE HEADQUARTERS**

America **West** Airlines
Avnet
Aztar Corporation
MicroAge
Dial Corp.
Inter-Tel
PETsMart, Inc.
Microchip Technology
Viad Corp.
P helps Dodge
U-Haul International
Best **Western** International

- **COMPUTER SOFTWARE**

REZ Solutions
Sunquest Information Systems
Oracle
JDA Software Group
Inter-Tel, Inc.
Insight Enterprises
Viasoft
ADFlex Solutions

- **AEROSPACE**

Boeing
Honeywell/AlliedSignal
TRW
Motorola
Orbital Sciences Corp.
Honeywell
Burr-Brown
Universal Propulsion
Sunstrand Aerospace
Talley Industries

- **BIOINDUSTRY**

W. L. Gore & Associates
Impra, Inc.
Acoustic Imaging Technologies
Steris Labs
Paragon Vision Sciences
Interface, Inc.
Ross Abbot Labs
Medtronic Micro-Rel
Varian Tempe Electronics Center

- **MINING AND MINERALS**

Phelps Dodge Corp.
Magma Copper Co.
Cyprus **Amax** Minerals
ASARCO, Inc.

- **FINANCIAL SERVICES**

American Express
The **Finova** Group
Chase **Bankcard Services**
Wells Fargo Bank
BankAmerica Corp.
Banc One
Pinnacle West Capital
Pilgrim America Capital Corp.
Norwest Corp.

- **CONSUMER SERVICES**

Southwest Airlines Reservations Center
America **West** Airlines Reservations Center
Alaska Airlines Reservation Center
Metagram America Customer Service Center
Quality Inns International Reservations Center
Choice Hotels International

- **HEALTH CARE PROVIDERS**

Mayo Clinic
CIGNA Healthcare
St. Luke's Medical Center
FHP, Inc.
Healthsouth
Good Samaritan Regional Medical Center
Columbia/HCA Healthcare
Tenet Healthcare

The Gross Product of Arizona and Greater Phoenix Would Rank, Respectively, as the 28th and 37th Largest World Economies

Top 50 World Economies -- 1998 Gross Product US\$ Billions

1998			1998		
Rank	Country	Gross Product	Rank	Country	Gross Product
1	United States	\$8,511	27	Norway	\$143
2	Japan	\$3,783	28	Arizona	\$131
3	Germany	\$2,134	28	Finland	\$123
4	France	\$1,434	29	Thailand	\$120
5	United Kingdom	\$1,387	30	Greece	\$120
6	Italy	\$1,168	31	South Africa	\$117
7	China	\$979	32	Saudi Arabia	\$108
8	Brazil	\$785	33	Portugal	\$102
9	Canada	\$599	34	Israel	\$101
10	Spain	\$553	35	Indonesia	\$99
11	Mexico	\$427	36	Venezuela	\$95
12	India	\$393	37	Greater Phoenix	\$95
13	The Netherlands	\$377	37	Chile	\$84
14	Australia	\$363	38	Singapore	\$83
15	Argentina	\$331	39	Colombia	\$83
16	Russia	\$322	40	Egypt	\$82
17	Korea	\$306	41	Ireland	\$77
18	Taiwan	\$265	42	Malaysia	\$71
19	Switzerland	\$264	43	Philippines	\$67
20	Belgium	\$250	44	Pakistan	\$66
21	Sweden	\$225	45	Peru	\$66
22	Austria	\$212	46	Iran	\$56
23	Turkey	\$204	47	Czech Republic	\$54
24	Denmark	\$177	48	New Zealand	\$52
25	Hong Kong	\$166	49	Algeria	\$52
26	Poland	\$148	50	United Arab Emirates	\$47

Phoenix Ranks High in Employment Growth ...

Both on the Basis of Percentage Growth and Total New Jobs Created

Total Non-Farm Employment Growth -- February 1999 to February 2000

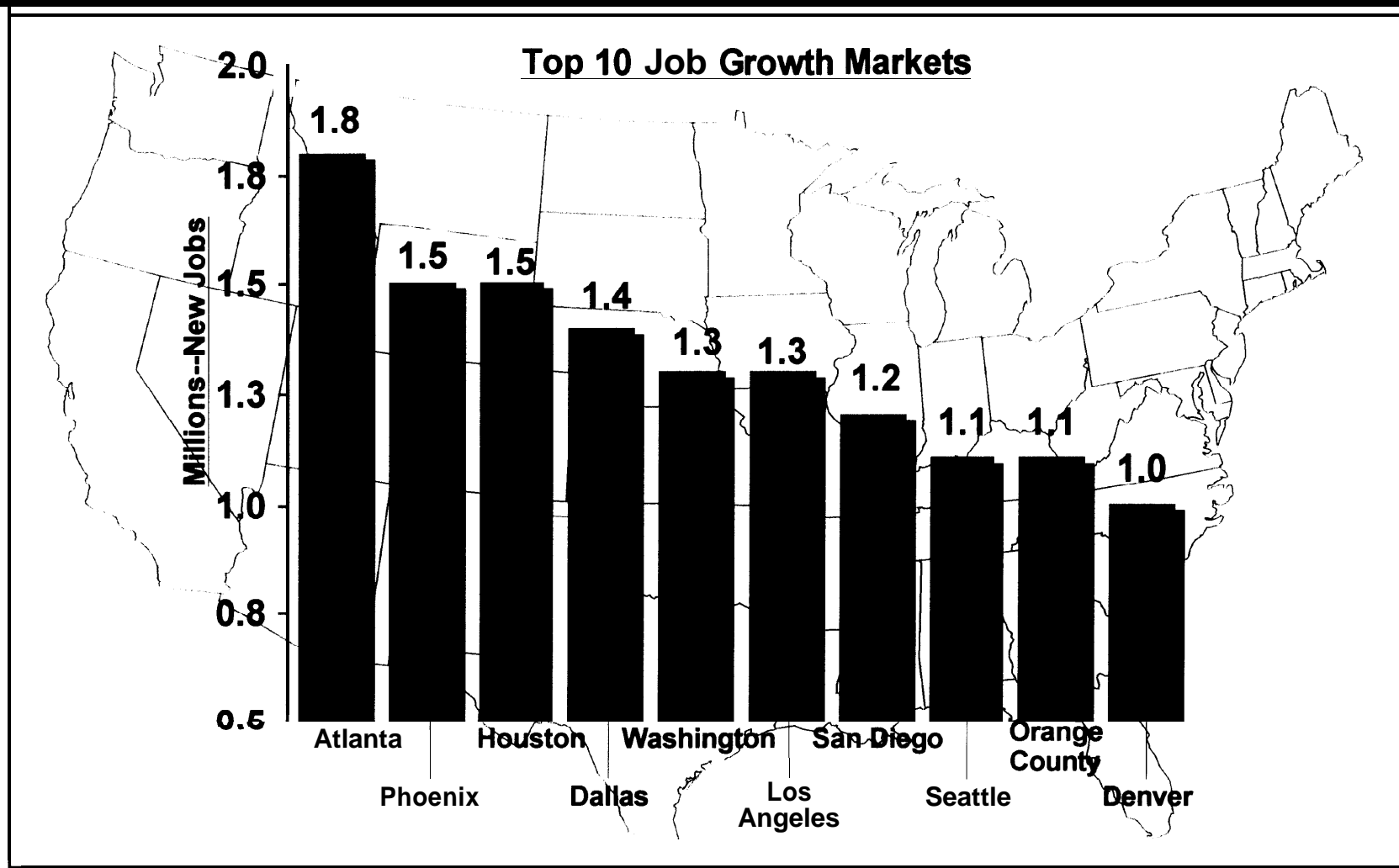
Largest 15 Metropolitan Areas

Rank	Metro Area	Growth Rate
1	Atlanta	4.8%
2	Phoenix	4.5%
3	Orange County	3.2%
4	Dallas	3.1%
5	Minneapolis	2.6%
6	Baltimore	2.3%
7	Los Angeles	2.3%
8	Boston	2.0%
9	Philadelphia	2.0%
10	Detroit	2.0%
11	Houston	1.9%
12	New York City	1.9%
13	Seattle	1.7%
14	St. Louis	1.4%
15	Chicago	1.2%

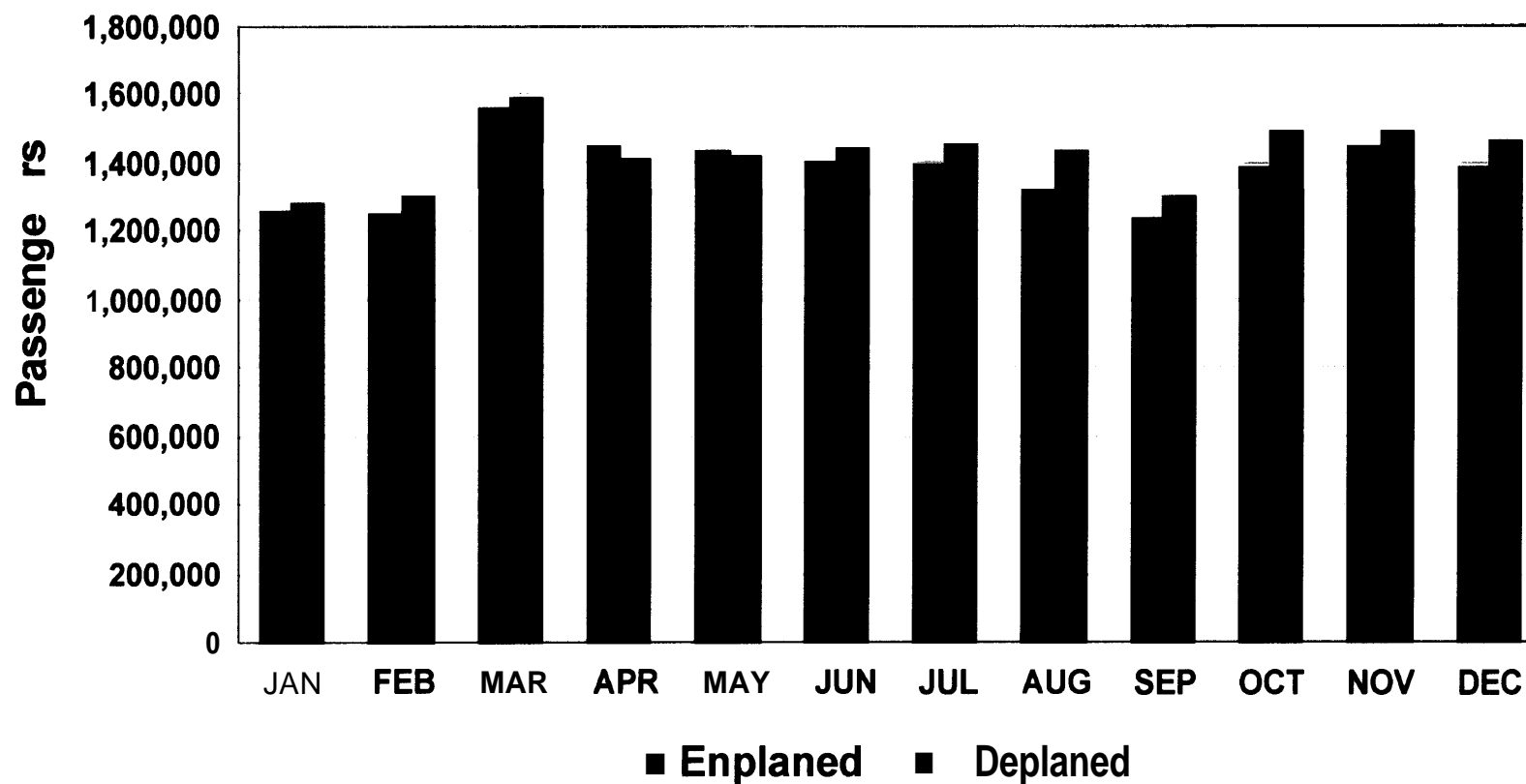
Largest 15 Metropolitan Areas

Rank	Metro Area	New Jobs
1	Atlanta	99,700
2	Los Angeles	89,800
3	New York City	75,600
4	Phoenix	67,300
5	Dallas	58,200
6	Chicago	47,100
7	Philadelphia	46,100
8	Minneapolis	43,000
9	Orange County	42,700
10	Detroit	41,000
11	Boston	38,800
12	Houston	38,700
13	Baltimore	27,300
14	Seattle	22,500
15	St. Louis	17,500

Greater Phoenix Will Be the Second Fastest Growing U.S. Job Market Over the Next 25 Years -- Adding 1.5 Million Jobs by 2025



Sky Harbor International Airport Enjoys Well-Balanced Passenger Traffic Year Round



Source: Phoenix Sky Harbor International Airport Statistics, CY 1999

Attachment

**LIST OF DOCUMENTS TO FILE
WITH PHOENIX'S ANSWER TO
AMERICA WEST'S SLOT EXEMPTION APPLICATION
(PHOENIX-NATIONAL AIRPORT)**

- 1.** Original letter from Phoenix Mayor Rimsza
- 2.** Original letter from David Krietor, Acting Aviation Director, City of Phoenix Aviation Department
- 3.** Original letter from Greater Phoenix Convention & Visitor's Bureau
- 4.** Original letter from Dick Pieranunzi, President & CEO, STMicroelectronics, Inc.
- 5.** Original letter from LaVonne Savoda, Global Travel Manager, Intel
- 6.** Original letter from Roy Vallee, Chairman & CEO, Avnet Inc.
- 7.** Original letter from Donald K. Schwanz, Industrial Control, Honeywell
- 8.** Fax copy of letter from Tandy Young, President, Native American Travel Services
- 9.** Fax copy of letter from Carol Baily, President & CEO, Chandler Chamber of Commerce
- 10.** Fax copy of letter from Don Rinehart, President & CEO, Glendale Chamber of Commerce
- 11.** Fax copy of letter from Jackie Vieh, Director, Arizona Department of Commerce
- 12.** Fax copy of letter from Don Springs, President & CEO, North Phoenix Chamber of Commerce
- 13.** Fax copy of letter from Bruce Mosby, President & CEO, Greater Phoenix Black Chamber of Commerce
- 14.** Fax copy of letter from Rick Weddle, President & CEO, Greater Phoenix Economic Council
- 15.** Fax copy of letter from Diane McCarthy, President, WESTMARC Western Maricopa Coalition
- 16.** Fax copy of letter from Anna Medrano, President, South Mountain and Laveen Chamber of Commerce
- 17.** Fax copy of letter from Richard H. Silverman General Manager, Salt River Project
- 18.** Fax copy of letter from Charlie Deaton, President & CEO, Mesa Chamber of Commerce
- 19.** Fax copy of letter from Timothy Lawless, President & CEO, Arizona Chamber of Commerce



City of Phoenix
OFFICE OF THE MAYOR

MAYOR SKIP RIMSZA
ANDREA TEVLIN, CHIEF OF STAFF

May 19, 2000

The Honorable Rodney E. Slater
Secretary of Transportation
United States Department of Transportation
400 7th Street SW
Washington, DC 20590

Re: **OST-2000-1781**

Dear Mr. Secretary,

I am writing in support of the application of America West Airlines for six slots at Ronald Reagan Washington National Airport of three daily non-stop flights between Washington D.C and Phoenix. The Wendell H. Ford Aviation Investment and Reform Act of the 21st Century, signed into law by President Clinton on April 5, 2000 authorizes the availability of these slots. This legislation makes it possible for the City of Phoenix to receive, for the first time, non-stop service to Ronald Reagan National Airport.

Non-Stop service between Phoenix Sky Harbor International Airport and Reagan National Airport is one that is not only long overdue, but will be highly anticipated by City of Phoenix citizens as well as the business community.

Since 1983, when America West planted its roots at Sky Harbor Airport, the City of Phoenix has evolved from a relatively unknown municipality to being named "Best Run City in the World" in 1993 by the Bertelsmann Group. In February 2000, The Maxwell School at Syracuse University and USA Today surveyed 50 US cities and Phoenix was the only participant to be awarded with a grade of "A". Today, the Phoenix metropolitan area population is three million and rising. Phoenix is considered among the leading U.S. cities in relation to job creation and housing starts.

Due to this unprecedented population growth, various Fortune 500 and U.S. corporations such as Avnet, Intel, Motorola, Honeywell, STMicroelectronics and Ericsson have relocated and invested in our community. Intel boasts one of the largest production facilities in the world while Honeywell's Aerospace Division serves as the company's largest single center of employment. Incidentally, Phoenix produces **MORE** computer chips worldwide than Silicon Valley.

Today, our relationship with the business community is one of the reasons Phoenix's air traffic experiences little change during the travel season. No matter the time of year, Sky Harbor International Airport traffic remains consistently high and without any substantial variation. One of the strengths of our business travel traffic can be attributed to the success of America West Airlines.

America West is a SUCCESS STORY in its own right. From its humble inception as a **post-**deregulation star&-up airline in **1983**, America West has developed into an impressive operational and domestic airline network. Today, America West services **80** U.S. cities, ten cities in Mexico and Canada and records **321** daily flight departures from Phoenix.

One critical factor Congress articulated in the Investment and Reform legislation for service beyond Reagan National's perimeter rule was to benefit cities in Western United States directly and through "domestic network benefits." It is my contention; America West clearly meets this criteria.

Among network carriers who are requesting these perimeter slots from Reagan National, America West is uniquely disadvantaged since they are the **only** network carrier that does not and cannot serve Reagan National from its primary and secondary domestic hubs. Other network carriers participating in these proceedings currently utilize services to Reagan National from these primary and secondary hubs. The chart below illustrates this point:

Carrier Name	Primary and Secondary Hubs	Total Number of Daily Flights To Reagan
American Airlines	Dallas/Fort Worth (P), Miami, Chicago O'Hare and JFK	40
Delta	Atlanta (P), Cincinnati, JFK, Dallas/Ft. Worth, Boston and La Guardia Shuttle	47
Northwest	Detroit (P), Minneapolis/St. Paul, Memphis and Detroit	20
TWA	St. Louis (P) and JFK	17
United	Chicago O'Hare (P) and Miami	18
*American Trans Air	Chicago Midway	3
Six Carriers		Total: 145
America West	Phoenix (P), Las Vegas	Total 2

*American Trans Air is not a full-fledged network carrier

* (**P**) denotes Primary Hub

Essentially, these airlines service Reagan National from their primary and secondary hubs for a total of **145** non-stop services. America West barely registers a bleep on the radar screen of Reagan National! From our perspective, this is a very unpleasant reality for America's 6th largest city.

Letter to Secretary **Slater**
America West Nomination
5/15/00
Page 3

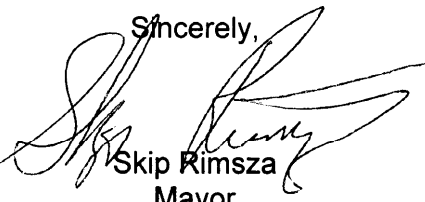
Thus, merely on the basis of inter-airline fairness and equity, America West is the most deserving major airline in this process. America West offers great domestic network benefits among all airlines seeking Reagan National beyond perimeter slots. This is due in part to having the largest hub and serving more U.S. cities from Phoenix than any other airline carrier participating in these proceedings.

Secretary **Slater**, I do not envy your position relative to this selection. In a perfect world, all the airlines involved would be able to fly to Reagan National. However since service at Reagan National is limited both within and beyond the perimeter rule, it is has been bestowed upon you to make this difficult decision.

I truly feel awarding the six slots to America West Airlines will afford the citizens of Phoenix not only the opportunity to visit friends and relatives, but continue to attract and conduct business in our Nation's capitol. While three daily nonstop flights may not put America West on "a level playing field" with the other U.S. major network airlines, it will be a beginning that is both necessary and deserved.

I urge you to award America West six Reagan National beyond perimeter slots to be used for nonstop service from Phoenix to Washington, D.C.

Thank you for your consideration.

Sincerely,

Skip Rimsza
Mayor

SR/cc



City of Phoenix
AVIATION DEPARTMENT

The Honorable Rodney E. Slater
Secretary of Transportation
United States Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Re:OST-2000-1781

Dear Mr. Secretary:

I am writing to you today to support the application of America West Airlines, Inc. for six slots at Ronald Reagan Washington National Airport so that America West may provide three daily Phoenix-Reagan National nonstop flights. These slots are authorized by the Wendell H. Ford Aviation Investment and Reform Act of the 21st Century, signed into law by President Clinton on April 5, 2000. This legislation makes it possible for Phoenix to receive, for the first time ever, nonstop service to Washington D.C.'s Ronald Reagan National Airport.

Nonstop service between Phoenix, Arizona's capital, and Reagan National, our Nation's Capitol's close-in airport, is long overdue, well-deserved and of the utmost importance to Phoenix's already large, and growing larger, business community.

Phoenix is a far different city than it was when America West planted its airline roots here in 1983. We have grown to be the sixth largest city in the United States. In terms of metropolitan areas, we have grown from the 34 largest in 1970 to the 13th largest in 1996. Our population has reached 3 million, and we continue to be one of the fastest growing cities in the United States. We are among the leaders in the United States in job creation and housing starts.

Our growth is fueled by America's businesses of the 21st Century -- companies like Intel, Motorola, Honeywell (AlliedSignal), Boeing, Charles Schwab, STMicroelectronics, Ericsson and so many more. Intel, for example, has its largest production facilities in the world in the Phoenix area. So does Motorola. Phoenix is home to Honeywell's Aerospace Division, and that company's largest single center of employment. In fact, Phoenix produces more silicon chips than the Silicon Valley.

Our business community is the reason Phoenix's air traffic evidences little seasonality today. Month in and month out, winter or summer, our traffic remains high and without substantial variation that you find in many other cities. The strength of our business traffic is a backbone of America West's success at Phoenix.

That success story is quite impressive. From humble beginnings as a post-deregulation start-up, America West has developed a very impressive hub operation and domestic network at Phoenix. Today, America West serves **80** U.S. cities, plus ten other cities in Mexico and Canada, with **321** daily departures from Phoenix. That is more cities than any other applicant in this proceeding serves from the “beyond perimeter” city at which it proposes Reagan National service.

One of the important factors Congress articulated in passing the legislation that authorized the Secretary to award **12** slots for service beyond Reagan National’s perimeter rule was to benefit cities in the Western United States, both directly and through “domestic network benefits.” America West, clearly, meets these two criteria better than any other carrier applicant in this proceeding.

First, among all of the network carriers that have requested beyond perimeter slots from Washington National, America West is uniquely disadvantaged. It is the only network carrier that does not, and cannot, serve Reagan National from its primary domestic hub. All other network carriers in this proceeding can and do serve Reagan National from their primary hubs. American serves Reagan National from **Dallas/Ft. Worth** **12** times daily, Delta serves Reagan National from Atlanta **16** times daily, Northwest serves Reagan National from Detroit **9** times daily, **TWA** serves Reagan National from St. Louis **7** times daily, and United serves Reagan National from Chicago O’Hare **17** times daily. Even American **Trans Air**, which is not a full-fledged network carrier, but has a developing connecting complex at Midway, serves Reagan National from Midway **3** times daily. In sum, these airlines serve Reagan National from their primary hubs **64** times each day; America West cannot provide any nonstop service. To repeat, the “hub to Reagan National” score is “Other Airlines **64**, America West **0**.” This is a very unfortunate situation for America’s **6th** largest City.

Indeed, some of the other airlines requesting Reagan National beyond perimeter slots in this proceeding also can, and do, serve Reagan National from several of their other hubs. For example, American serves Reagan National from Miami, Chicago O’Hare and **JFK**, in addition to **Dallas/Ft. Worth**; Delta serves Reagan National from Cincinnati, **JFK**, **Dallas/Ft. Worth** and Boston (as well as by the La Guardia Shuttle), in addition to Atlanta; Northwest serves Minneapolis/St. Paul and Memphis, in addition to Detroit; TWA serves **JFK**, in addition to St. Louis; and United serves Miami, in addition to Chicago O’Hare. Each of these applicants in this case operate multiples times more daily flights between Reagan National and their hubs and these other points than America West does between Reagan National and the only hub to which it is now permitted to operate Reagan National flights – Columbus, Ohio. The attached chart indicates the extreme disadvantage America West, today, faces.

Thus, merely on the basis of inter-airline fairness and equity, America West is the most deserving major airline in this proceeding. It, of course, also offers the greatest domestic network benefits of all airlines seeking Reagan National beyond perimeter slots because it has the largest hub in this case and serves more U.S. points from Phoenix than any other airline serves from the airport for which it is seeking slots in this proceeding.

Mr. Secretary, I do not envy your responsibility in this case. In a perfect world, all of the airlines involved should be able to choose where they want to fly from Reagan National, and all of the cities involved are worthy of Reagan National service. But, regrettably, this is not the perfect world, service at Reagan National is limited, both within and beyond the perimeter rule, and Congress has authorized you to select airlines and cities to receive six daily nonstop flights.

The decision you must make is difficult. Yet, it seems clear that one aspect of your decision should be relatively easy: the award of six beyond perimeter slots to America West to enable America West to offer, for the first time, what all other U.S. major network airlines enjoy today -- flights between their primary hub and Reagan National. While three daily **nonstops** will not put America West on "a level playing field" with the other U.S. major network airlines, it will be a beginning that is both necessary and well deserved.

I urge you to award America West six Reagan National beyond perimeter slots to be used for Phoenix-Reagan National nonstop service as expeditiously as possible.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "David Krietor", with a long horizontal flourish extending to the right.

DAVID KRIETOR
Acting Aviation Director

<u>Airline</u>	<u>Hub/City</u>	<u>Daily Reagan National Flights</u>	<u>Total</u>
America West	Columbus	2	2
	Las Vegas	0	
	Phoenix	0	
	Total		
American	Chicago	10	40
	Dallas/Ft. Worth	12	
	JFK	7	
	Miami	11	
	Total		
Delta	Atlanta	16	47
	Boston	5	
	Cincinnati	5	
	Dallas/Ft. Worth	3	
	JFK	2	
	La Guardia	16	
	Total		
Northwest	Detroit	9	20
	Memphis	4	
	Minneapolis/St. Paul	7	
	Total		
TWA	JFK	10	17
	St. Louis	7	
	Total		
United	Chicago	17	18
	Miami	1	
	Total		
Total Excluding America West:			147
Total America West:			2



GREATER PHOENIX
CONVENTION &
VISITORS BUREAU

May 3, 2000

The Honorable Rodney E. Slater
Secretary – U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Case Caption and Docket

Dear Secretary Slater:

We are writing to express our support for America West Airlines' application to provide nonstop service between Phoenix's Sky Harbor International Airport and Washington's Reagan National Airport.

America West's plan to offer three daily nonstop services between these airports will provide metro Phoenix and Washington, D.C. with the nonstop access needed to facilitate business, convention and leisure travelers moving between the cities.

Last year, more than 125,000 convention-related room nights were booked in metro Phoenix via the Washington, D.C. region. More than half of those rooms came from Washington's robust association market. And these figures do not include the substantial air traffic between the destinations associated with business, leisure and governmental related travel.

While metro Phoenix is America West Airlines' primary hub, it is the only primary hub of any major U.S. airline without nonstop service to Reagan National. By not being allowed to operate nonstop from Reagan National to its primary hub, America West also is prevented from offering Reagan National travelers one-stop service to points beyond Phoenix on America West. Those points are several, and, while other airlines serve most of these cities, they do not serve them all on one-stop routing from Reagan National.

Again, we urge you to award America West Airlines the slots necessary to serve Washington's Reagan National Airport on a nonstop basis from Phoenix. Thank you for your consideration of this request.

Sincerely,

David S. Radcliffe
President & CEO
Greater Phoenix Convention & Visitors Bureau

Robert Brinton
President
Mesa Convention & Visitors
Bureau

Rachel Sacco
President
Scottsdale Convention & Visitors Bureau

Stephanie Nowack
President
Tempe Convention & Visitors
Bureau



STMicroelectronics, Inc.
1000 East Bell Road
Phoenix, AZ 85022
Tel: 602-485-6100

The Honorable Rodney E. Slater
Secretary – U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

May 18, 2000

Re: CASE#OST-00-7181

Dear Mr. Secretary:

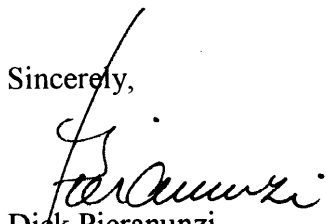
I am writing to you to express support for America West's exemption application for slots at Washington's Reagan National Airport. America West's plan to offer three daily nonstop services between Phoenix and Reagan National Airport will provide STMicroelectronics the nonstop access to the Nation's Capital that we have long sought.

Phoenix is currently at a severe disadvantage to other hub cities, and as one of the corporations that requires extensive travel, we, too, are disadvantaged. While Phoenix is America West's primary hub, it is the only primary hub of any major U.S. airline without nonstop service to Reagan National. All of the other U.S. major airlines enjoy the opportunity to connect their primary hub (and sometimes their second and third largest hubs) with Reagan National.

This disadvantage extends beyond the nonstop link between Phoenix and Reagan National. By not being allowed to operate nonstop from Reagan National to its primary hub, America West also is prevented from offering the Reagan National travelers one-stop service to points beyond Phoenix on America West's system. Those points are several, and, while other airlines serve most of these cities, they do not serve them all on a one-stop routing from Reagan National.

As the smallest of the U.S. major airlines, America West needs advantages, or at least comparable opportunities, not disadvantages. On behalf of STMicroelectronics, I urge you to award America West the slots necessary to serve Washington Reagan on a nonstop basis from Phoenix.

Sincerely,


Dick Pieranunzi
President & CEO



May 18, 2000

The Honorable Rodney E. Slater
Secretary – U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

RE: #OST – 00 – 7181

Dear Mr. Secretary:

I am writing to you to express support for America West's exemption application for slots at Washington's Reagan National Airport. America West's plan to offer three daily nonstop flights between Phoenix and Reagan National Airport will provide the nonstop access to the Nation's Capital that has been long sought.

Phoenix is currently at a severe disadvantage to other hub cities. While Phoenix is America West's primary hub, it is the only primary hub of any major U.S. airline without nonstop service to Reagan National. All of the other U.S. major airlines enjoy the opportunity to connect their primary hub (and sometimes their second and third largest hubs) with Reagan National.

This disadvantage extends beyond the nonstop link between Phoenix and Reagan National. Currently, America West is prevented from offering the Reagan National travelers one-stop service to points beyond Phoenix on America West's system. Those points are several, and while other airlines serve most of these cities, they do not serve them all on a one-stop routing from Reagan National.

As the smallest of the U.S. major airlines, America West should have comparable opportunities to compete. On behalf of Intel Corporation, I urge you to award America West the slots necessary to serve Washington Reagan on a nonstop basis from Phoenix.

Regards,

INTEL CORPORATION



LaVonne C. Sovoda

Global Travel Manager
5000 W. Chandler Boulevard, CI 1-40
Chandler, AZ 85226
480-554-8265
lavonne.c.sovoda@intel.com

cc: R. Cole, Vice President, Sales, America West Airlines
R. Whittier, Corporate Purchasing, Intel Corporation
S. Esque, Public Affairs Manager, Intel Corporation
T. Shire, Global Air Buyer, Intel Corporation

/lcs\p\airlines\hpreagannational

An Equal Opportunity Employer



RoyVallee
Chairman and
Chief Executive Officer

May 18, 2000

The Honorable Rodney E. Slater
Secretary -- US Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: CASE #OST-00-7181

Dear Mr. Secretary:

I am writing to you to express support for America West's exemption application for slots at Washington's Reagan National Airport. America West's plan to offer three daily nonstop services between Phoenix and Reagan National Airport will provide Avnet, Inc. the nonstop access to the Nation's Capital that we have long sought.

Phoenix is currently at a severe disadvantage to other hub cities, and as one of the corporations that require extensive travel, we, too, are disadvantaged. While Phoenix is America West's primary hub, it is the only primary hub of any major U.S. airline without nonstop service to Reagan National. All of the other U.S. major airlines enjoy the opportunity to connect their primary hub (and sometimes their second and third largest hubs) with Reagan National.

This disadvantage extends beyond the nonstop link between Phoenix and Reagan National. By not being allowed to operate nonstop from Reagan National to its primary hub, America West also is prevented from offering the Reagan National travelers one-stop service to points beyond Phoenix on America West's system. Those points are several, and, while other airlines serve most of these cities, they do not serve them all on a one-stop routing from Reagan National.

As the smallest of the U.S. major airlines, America West needs advantages, or at least comparable opportunities, not disadvantages. On behalf of Avnet, Inc., I urge you to award America West the slots necessary to serve Washington Reagan on a nonstop basis from Phoenix.

Regards,

A handwritten signature in dark ink, appearing to read "RoyVallee", written in a cursive, flowing style.

Donald K. Schwanz

President

Industrial Control

Honeywell Inc.

16404 N. Black Canyon Highway

Phoenix, AZ 85023-3033

602 313-6300

602 313-5705 Fax

May 17, 2000

The Honorable Rodney E. Slater
Secretary – U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D. C. 20590

Re: CASE # OST-00-7181

Dear Mr. Secretary:

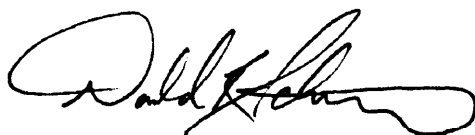
I am writing to you to express support for America West's exemption application for slots at Washington's Reagan National Airport. America West's plan to offer three daily nonstop services between Phoenix and Reagan National Airport will provide Honeywell the nonstop access to the Nation's Capital that we have long sought.

Phoenix is currently at a severe disadvantage to other hub cities, and as one of the corporations that requires extensive travel, we, too, are disadvantaged. While Phoenix is America West's primary hub, it is the only primary hub of any major U.S. airline without nonstop service to Reagan National. All of the other U.S. major airlines enjoy the opportunity to connect their primary hub (and sometimes their second and third largest hubs) with Reagan National.

This disadvantage extends beyond the nonstop link between Phoenix and Reagan National. By not being allowed to operate nonstop from Reagan National to its primary hub, America West also is prevented from offering the Reagan National travelers one-stop service to points beyond Phoenix on America West's system. Those points are several, and while other airlines serve most of these cities, they do not serve them all on a one-stop routing from Reagan National.

As the smallest of the U.S. major airlines, America West needs advantages, or at least comparable opportunities, not disadvantages. On behalf of Honeywell, I urge you to award America West the slots necessary to serve Washington Reagan on a nonstop basis from Phoenix.

Sincerely,



ps

May 2000

The 'Honorable Rodney E. Slater
Secretary – U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 205900

Dear Secretary Slater:

I am writing **to express my** support for **America West Airlines' application** to provide nonstop **service between Washington's Reagan National Airport and Phocnix Sky Harbor International Airport.**

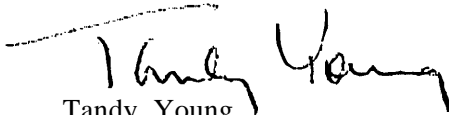
America West's plan to offer three daily nonstop **services** between these **airports** will **provide** metro Phoenix and Washington, **D.C.** with the nonstop **access** needed to **facilitate business** and leisure **travelers moving between** the cities.

Providing America West **Airlines** with slots at Reagan National **would** certainly make it easier for **members** of Arizona's 21 federally recognized **Native American tribes** to **travel to** Washington, **D.C. for business and pleasure.** It would also **enhance** access to numerous Indian cultural **and** geographic &tractions and **activities both** on and off Arizona's 23 **Native American reservations.**

While metro Phoenix is America West Airlines' **primary** hub, **it is the** only primary hub of any **major U.S. airline** without nonstop **service** lo **Reagan National.** By **not** being allowed to operate nonstop from Reagan **National** to its primary huh, America **West** also **is** prevented **from** offering Reagan National **travelers** one-stop service **to points** beyond Phoenix on America West. Those points me **several, and, while other airlines serve most of these cities,** they do **not serve them all** on one-stop **routing** from Reagan National.

Again, **I urge you to grant the** application of America West Airlines **and provide one of the** fastest **growing airlines** in **America's fastest** growing **major** city nonstop access **to Washington's Reagan National Airport. Thank you.**

Sincerely,



Tandy Young
President – Native American Travel Services
Board Member, Arizona American Indian Tourism Association



The Honorable Rodney Slater
Secretary
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Case #OST-00-7181

Dear Mr. Secretary,

On behalf of the more **than 800 business** members of the Chandler Chamber of Commerce, **which employ approximately 68,000** men and women in **our** area, **I** urge you to grant America West Airlines an **exemption** to provide nonstop service between Phoenix's Sky Harbor Airport and Washington, D.C.'s Ronald Reagan National Airport @CA).

Our member companies frequently have business on Capitol **Hill** and meet with numerous government officials located in Washington, **D.C.** Because **there** is no nonstop service between Phoenix **and DCA**, those trips frequently **are prolonged** because they have to connect through another **hub or travel to either Dulles International** Airport or *Baltimore **Washington International** Airport to catch a **nonstop** flight. However, there is only one nonstop **flight** at **Dulles** each day.

America West's proposal. will bring an immediate benefit to businesses in the metropolitan , Phoenix area. Phoenix **is a major** business. commerce center in the western U.S. **It is** the sixth **largest city in the country, one of the fastest growing metropolitan** areas and is home to **many large** corporate facilities including Motorola, **Honeywell and Intel**. Our business community needs nonstop **service** to **DCA** to enjoy the same benefits that other business **communities** enjoy.

Nonstop service would greatly improve the convenience and **efficiency** of traveling between the two **cities**. For instance, passengers traveling between **DCA** and Phoenix **would** see travel times **drop from** the current average of **367 minutes** to **274 minutes**. This would result in annual time savings of approximately **225,000** hours for Arizona passengers. Additionally, **based on** independent economic studies, bringing competition into Arizona markets **will save** an estimated **\$8.7 million** for **Arizona** passengers on America West **Airlines** and competing **airlines**,

I urge you to award **America West Airlines** the slots **necessary** to serve **DCA** on a nonstop basis from Phoenix. Thank you for your consideration.

Sincerely,

President/CEO

People, Land and Opportunity

GLENDALE

Glendale Chamber of Commerce

P.O. Box 249
7105 N. 59th Avenue
Glendale, AZ 85311
(623) 937-4754
1-800-ID-SUNNY
(FAX) 937-3333

May 18, 2000

The **Honorable Rodney Slater**
Secretary
U. S. Department of **Transportation**
400 Seventh Street, SW.
Washington, **D.C.** 20590

Dear Mr. Secretary :

On **behalf** of **the more** than **600** individual business members **of the** Glendale Chamber of Commerce, **I** urge you to grant America West Airlines an exemption to provide **nonstop** service between **Phoenix's Sky Harbor Airport** and **Washington, D.C.'s Ronald Reagan National Airport (DCA)**.

Several **of** our member **companies** have business **on** Capitol Hill and meet **with** government **officials** located in Washington, **D.C.** Those **trips are frequently** prolonged due to the lack of nonstop service **from** Phoenix to **DCA**.

The America West **proposal will** bring an immediate benefit to **businesses** within the Phoenix metropolitan **area**. As a major commerce **center in** the western United States, Phoenix is also the sixth largest city in the **country**, one of the fastest growing **metro areas** and home to **many large** corporations such as Honeywell, Motorola, and **Intel**.

Nonstop service **will** greatly improve the **convenience** and **efficiency** of traveling between the two cities. Travel times would drop **from the current** average of **367 minutes** to **274 minutes**, resulting in an annual **time** savings of approximately **225,000 hours** for **Arizona** passengers. Additionally, bringing competition into Arizona markets will **save** an estimated **\$8.7** million for Arizona passengers on America West and competing **airlines**.

I urge you to award **America West Airlines** the **slots necessary to serve DCA on a nonstop basis** **from** Phoenix. Thank you for your consideration.

Sincerely,

Don Rinehart
President/CEO



ARIZONA DEPARTMENT OF COMMERCE

JANE DEE HULL
GOVERNOR

JACKIE VIEH
DIRECTOR

May 12, 2000

The **Honorable** Rodney Slater
Secretary
U.S. Department of Transportation
400 Seventh Street, SW
Washington, **DC 20590**

Dear Secretary Slater:

On behalf of **the** more than **600** companies with a total of **50,000 employees** who **are** our clients, I urge you to grant **America West Airlines** an exemption to provide nonstop service between Phoenix's Sky Harbor Airport and **Washington DC's Ronald Reagan National Airport (DCA)**.

Our clients frequently have business in **Washington**, meeting with **various federal** agencies and with Congress. Their travel is **often** prolonged, **as** there is no nonstop service between Phoenix and **DCA**, and **only one nonstop from Dulles**.

Approval of this route will bring an immediate **and enormous** benefit to all **businesses** in the **Phoenix** area, the second fastest growing **metropolitan** area in the country. Our business community, including leaders such **as** Motorola, Intel, and **Honeywell** need nonstop **service** to **DCA** to put them on **an equal** footing with **businesses in other** communities. This service will **greatly** improve traveling **efficiency** for our companies, **saving an** average of an hour and **a half** on each trip. In addition, independent **studies** project **an \$8.7** million annual savings for **Arizona** passengers by bringing competition into Arizona markets.

I urge you to award **America West Airlines** the slots **necessary** to **serve DCA** on a nonstop basis from **Phoenix**. Thank you for your **consideration**.

Sincerely,

A handwritten signature in cursive script that reads "Jackie Vieh".

Jackie Vieh
Director

**OFFICERS**

CHAIRMAN OF THE BOARD
Andy Slick
PS

CHAIRMAN-ELECT
Fred Zook, Ph.D.
Illawarra University

1ST CHAIRMAN
Paul Dambroski
Unitomo Silk of Phoenix

SECRETARY / TREASURER
Earl Munding
Munding Financial Corporation

VICE-CHAIRMAN
Mary Blanchard
6 Wed. Inc.

James E. Jurs, Ed.D.
Paradise Valley Unified School District

Richard M. Smith
StanCorp Piper Jaffray, Inc.

DIRECTORS

Louis R. Adams, CFP
Adams Business Dimensions, Inc.

Tom Bowman II
Bowman & Associates Insurance Agency

Thomas Brandt
HeadCrafters Bakery & Cafe

Mary Budinger
Unitomo Silk of Phoenix

Julia Goossen
Felicis Fargo Bank

Bill Hill, Ed.D.
Paradise Valley Unified School District

Shirley Jayne
Phoenix Partnership

Paula Kranitz, Ph.D.
Paradise Valley Community College

Rebecca Kuhn
Paradise Valley Hospital

William A. McSweeney
Mayo Clinic Hospital

Jeffery Moffitt
Moffitt & Company, PC.

John Riddle
Elle Luna Mexican Restaurants

Samuel Tocky
Consultant

GENERAL COUNSEL
Donald A. Loose
Loose, Brown & Associates, PC.

STAFF
Don Sprigings
President / CEO

The North Phoenix
Chamber of Commerce
is an affiliate of the



**Greater Phoenix
Chamber of
Commerce**

www.phoenixchamber.com

May 10, 2000

The Honorable Rodney Slater
Secretary
U.S. Department of Transportation
400 Seventh S.W.
Washington, D.C. 20590

RE: Case #OST-0007181

Dear Secretary:

On behalf of more than **750** individual business members of the **North Phoenix Chamber of Commerce**, I urge you to grant **America West Airlines an exception** to provide nonstop service between **Phoenix's Sky Harbor Airport** and Washington, **D.C.'s Ronald Reagan National Airport (DCA)**.

Our member companies frequently have business on **Capitol Hill** and meet with numerous **government officials** located in **Washington D. C.** Because there is no nonstop service between Phoenix and **DCA**, those trips frequently are prolonged because they have to connect through another hub or travel to either **Dulles International Airport** or **Baltimore Washington International Airport** to catch a nonstop flight. However, there is **only one nonstop flight at Dulles each day**.

America West's **proposal** will bring an immediate **benefit** to businesses in the metropolitan Phoenix **area**. Phoenix is a major business commerce center in the **western U.S.** It is the sixth largest city in the country, one of the **fastest** growing metropolitan areas and is home to many large corporate facilities including Motorola, Honeywell, and Intel. Our business community **needs** nonstop service to **DCA** to enjoy the same benefits that other business communities enjoy,

Nonstop service would greatly improve the convenience and **efficiency** of traveling between the two cities. **For instance, passengers** traveling between **DCA** and **Phoenix** would see travel times drop from the current average of **367 minutes to 274 minutes**. This would result in an annual timesavings of approximately **225,000 hours** for Arizona passengers. Additionally, based on independent **economic studies**, bringing competition into Arizona markets will save an estimated **\$8.7 million** for Arizona passengers on America West passengers on America West Airlines and competing airlines.

I urge you to award America West Airlines the slots necessary to serve **DCA** on a nonstop bases from Phoenix, Thank you for your consideration.

Sincerely,

Don Sprigings
President/CEO

MISSION

"THE NORTH PHOENIX CHAMBER OF COMMERCE is organized to advance the general welfare and prosperity of the business community in the area so that its citizens and all areas of its economy shall prosper. All necessary means of promotion shall be provided and particular attention and emphasis shall be given to the economic, civic, commercial, cultural, industrial and educational interests of the area."



GREATER PHOENIX
BLACK CHAMBER OF COMMERCE

P.O. Box 2406 • **Phoenix AZ** 85002 • Ph (602) 307-5200 **Fax** (602) 307-5204 • Website: www.gpbcc.org

The Honorable Rodney Slater
Secretary
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Case #OST-00-7181

Dear Mr. Secretary,

On behalf of more than 500 individual business members and partners of the Greater Phoenix Black Chamber of Commerce, I urge you to grant America West Airlines and exemption to provide nonstop service between Phoenix's Sky Harbor Airport and Washington , D.C.'s Ronald Reagan National Airport (DCA).

Our member companies frequently have business on Capitol Hill and meet with numerous government officials located in Washington, D.C. Because there is no nonstop service between Phoenix and DCA, those trips frequently are prolonged because they have to connect through another hub or travel to either Dulles International Airport or Baltimore Washington International Airport to catch a nonstop flight. However, there is only one nonstop flight at Dulles each day.

America West's proposal will bring an immediate benefit to businesses in the metropolitan Phoenix area. Phoenix is a major business commerce center in the western U.S. It is the sixth largest city in the country, one of the fastest growing metropolitan areas and is home to many large corporate facilities including Motorola, Honeywell and Intel. Our business community needs nonstop service to DCA to enjoy the same benefits that other business communities enjoy.

Nonstop service would greatly improve the convenience and efficiency of traveling between the two cities. For instance, passengers traveling between DCA and Phoenix would see travel times drop from the current average of 367 minutes to 274 minutes. This would result in annual time savings of approximately 225,000 hours for Arizona passengers. Additionally, based on independent economic studies, bringing competition into Arizona markets will save and estimated \$8.7 million for Arizona passengers on America West Airlines and competing airlines.

I urge you to award America West Airlines the slots necessary to serve DCA on a nonstop basis from Phoenix. Thank you for your consideration.

Sincerely,

Bruce Mosby
President & CEO



Two N. Central Ave., Suite 2500
Phoenix, Arizona 85004-2389
602.256.7700 FAX 602.256.7744

May 10, 2000

The Honorable Rodney Slater
Secretary
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Case #OST-00-7181

Dear Mr. Secretary,

On behalf of the 14 member communities and 200 private-sector investors of the Greater Phoenix Economic Council I urge you to grant America West Airlines an exemption to provide nonstop service between Phoenix's Sky Harbor Airport and Washington, D.C.'s Ronald Reagan National Airport (DCA).

Our stakeholders frequently have business on Capitol Hill and meet with numerous government officials located in Washington, D.C. Because there is no nonstop service between Phoenix and DCA, those trips frequently are prolonged because they have to connect through another hub or travel to either Dulles International Airport or Baltimore Washington International Airport to catch a nonstop flight. However, there is only one nonstop flight at Dulles each day.

America West's proposal will bring an immediate benefit to businesses in the metropolitan Phoenix area. Phoenix is a major business commerce center in the western U.S. It is the sixth largest city in the country, one of the fastest growing metropolitan areas and is home to many large corporate facilities including Motorola, Honeywell, and Intel. Our business community needs nonstop service to DCA to enjoy the same benefits that other business communities enjoy.

Nonstop service would greatly improve the convenience and efficiency of traveling between the two cities. For instance, passengers traveling between DCA and Phoenix would see travel times drop from the current average of 367 minutes to 274 minutes. This would result in an annual timesavings of approximately 225,000 hours for Arizona passengers. Additionally, based on independent economic studies, bringing competition into Arizona markets will save an estimated \$8.7 million for Arizona passengers on America West and competing airlines.

I urge you to award America West Airlines the slot necessary to serve DCA on a nonstop basis from Phoenix. Thank you for your consideration-

Sincerely,
A handwritten signature in black ink, appearing to read "Rick Weddle", written over the word "Sincerely,".

Rick Weddle
President and CEO
vjm

www.gpec.org



Representing a United
Western Maricopa County

The Honorable Rodney Slater
Secretary
U.S. Department of **Transportation**
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Case #OST-00-7181

Dear Mr. Secretary,

On behalf of the more than 400 individual business members of WESTMARC, I urge you to grant America West Airlines an exemption to provide nonstop service between Phoenix's Sky Harbor and Washington D.C.'s Ronald Reagan National Airport @CA).

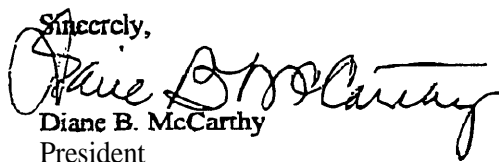
Our member companies frequently have business on Capitol Hill and meet with numerous government officials located in Washington, D.C. Because there is no nonstop service between Phoenix and DCA, those trips frequently are prolonged because they have to connect through another hub or travel to either Dulles International Airport or Baltimore Washington International Airport to catch a nonstop flight. However, there is only one nonstop flight at Dulles each day.

America West's proposal will bring an immediate benefit to businesses in the metropolitan Phoenix area. Phoenix is a major business commerce center in the western U.S. It is the sixth largest city in the country, one of the fastest growing metropolitan areas and is home to many large corporate facilities including Motorola, Honeywell and Intel. Our business community needs nonstop service to DCA to enjoy the same benefits that other business communities enjoy-

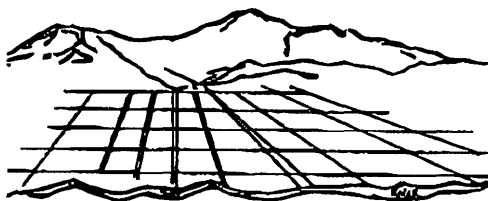
Nonstop service would greatly improve the convenience and efficiency of traveling between the two cities. For instance, passengers traveling between DCA and Phoenix would see travel times drop from the current average of 367 minutes to 274 minutes. This would result in an annual time savings of approximately 225,000 hours for Arizona passengers. Additionally, based on independent economic studies, bringing competition into Arizona markets will save an estimated \$8.7 million for Arizona passengers on America West Airlines and competing airlines.

I urge you to award America West Airlines the slots necessary to serve DCA on a nonstop basis from Phoenix. Thank you for your consideration.

Sincerely,


Diane B. McCarthy
President

9017 North 57th Drive • Glendale, Arizona 85302 • (602) 435-0431 • Fax (602) 435-0485



SOUTH MOUNTAIN CHAMBER OF COMMERCE

P.O. Box 8172 . Phoenix, Arizona 85066-8172 • Office Phone: 268-0068

May 4, 2000

**The Honorable Rodney Slater
Secretary
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590**

Re: Case # OST -00-7181

Dear Mr. Secretary:

On behalf of more than 106 individual business members of the South Mountain and Laveen Chamber of Commerce, I urge you to grant America West Airlines an exemption to provide nonstop service between Phoenix's Sky Harbor Airport and Washington, D.C.'s Ronald Reagan National Airport @CA).

Our member companies frequently have business on Capitol Hill and meet with numerous government officials located in Washington, D.C. Because there is no nonstop service between Phoenix and DCA, those trips are frequently prolonged because they have to connect through another hub or travel to either Dulles International Airport or Baltimore Washington International Airport to catch a nonstop flight. However, there is only one nonstop flight at Dulles each day.

America West's proposal will bring an immediate benefit to businesses in the metropolitan Phoenix area. Phoenix is a major business commerce center in the western U.S. It is the sixth largest city in the country, one of the fastest growing metropolitan areas and is home to many large corporate facilities including Motorola, Honeywell, and Intel. Our business community needs nonstop service to DCA to enjoy the same benefits that other business communities enjoy.

Nonstop service would greatly improve the convenience and efficiency of traveling between the two cities. For instance, passengers traveling between DCA and Phoenix would see travel times drop from the current average of 367 minutes to 274 minutes. This would result in annual time savings of approximately 225,000 hours for Arizona passengers. Additionally, based on economic studies, bringing competition into Arizona markets will save an estimated \$8.7 million for Arizona passengers on America west Airlines and competing airlines.

I urge you to award America west Airlines the slots necessary to serve DCA on a nonstop basis from Phoenix. Thank you for your consideration.

Sincerely,


**Anna Medrano, Pres.
South Mountain and Laveen Chamber of Commerce**

TOTAL P. 02

*Copied***SALT RIVER PROJECT**

P.O. Box 52025
Phoenix, AZ 85072-2025
(602) 236-5886
Fax (602) 236-5444

RICHARD H. SILVERMAN
GENERAL MANAGER

May 9, 2000

Fax to
Dan Caulkins
at Phx
Chamber

The Honorable Rodney Slater
Secretary
US Department of Transportation
400 Seventh Street, SW
Washington DC 20590

RE: Case #OST-00-7181

Dear Mr. Secretary:

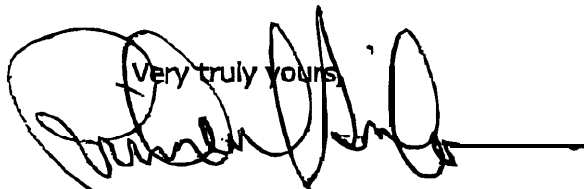
I am writing to you **to express** support for America West Airline's **exemption** application for slots at Washington DC's Ronald Reagan National Airport (**DCA**). America West's plan to offer three daily nonstop services **between** Phoenix and **Reagan National Airport** will provide our company with the nonstop access to the nation's **capitol** that we have long sought.

Phoenix is currently at a disadvantage to other hub cities and, as a business that requires' **extensive travel**, **we too are inconvenienced**. While Phoenix is America West's primary hub, it is the only **primary** hub of any major US airline without nonstop service **to DCA**. All of the other major airlines enjoy the **opportunity** to connect **their** primary hub.

This disadvantage extends **beyond** the nonstop link between Phoenix and **DCA**. By not being allowed **to** operate nonstop from **DCA** to its primary hub, America West also is prevented from offering **DCA** travelers one-stop service to **points** beyond Phoenix on America West's **system**. America West uses connecting passenger flows to support smaller markets that could **not otherwise be** sustained by local **traffic** alone. This connectivity is important **to Arizona** businesses that need to retain and improve **service** to small and **medium-sized** cities.

We believe America West is well positioned to maximize the benefit of nonstop Arizona **service** and we are supportive of their **efforts** to provide this service. Thank you **for** your consideration,

Very truly yours,



Richard H. Silverman
General Manager



2000 OFFICERS

Jack Sellers
GENERAL MOTORS
PROVING GROUND
Chairman

Jeff Martin
MOTOROLA
Treasurer

Dave Nichols
TRW
AUTOMOTIVE
OCCUPANT SAFETY
SYSTEMS
Vice-Chairman
Economic &
Community
Development
Council

Richard Davis
THE
EAST VALLEY
TRIBUNE
Vice-Chairman
Small Business
Council

Craig Ahlstrom
FARNSWORTH
DEVELOPMENT
COMPANY
Vice-chairman
Organizational
Council

Gail Ledward
ATTORNEY
Vice-Chairman
Public Affairs
Council

Jim Jones
LUTHERAN
HOSPITALS
FOUNDATION
Past Chairman

Charlie Deaton
President & CEO

May 10, 2000

The Honorable Rodney Slater, Secretary
U.S. DEPARTMENT OF TRANSPORTATION
400 Seventh Street, S.W.
Washington, D.C. 20590

Re: Case #OST-00-7181

Dear Mr. Secretary,

The Chamber of Commerce of Mesa, Arizona represents some thirteen hundred individual businesses employing in excess of 70,000 people. On their behalf, we urge you to grant an exemption to America West Airlines based in our neighboring Sky Harbor Airport to provide nonstop service to Washington, D.C.'s Ronald Reagan National Airport (DCA).

Many of our larger corporate employers such as Boeing, TRW, Motorola, Talley Defense Systems, General Motors, and our smaller employee have a great need of such a service when meetings are required in our capitol. These smaller employers are at a particular disadvantage when having to spend extended time and money due to the inconvenience of connecting flights and time required making such connections.

Mesa is a community of nearly 400,000 residents that is a part of the Phoenix-Mesa (SMA), a major business and commerce *center in the western US. We should not be denied a non-stop service to DCA, a service provided to other large metro communities. We urge you to award America West Airlines the slots necessary to serve DCA.

Sincerely,

Charlie Deaton
President and CEO

120 North Center • Mesa, AZ 85201 • 480-969-1307 • Pax 480-827-0727



May 4, 2000

The Honorable Rodney Slater
Secretary
U.S. Department of Transportation
400 Seventh Street, S.W.
Washington, D.C. 20590

RE: Case #OST-00-718 1

Dear Mr. Secretary:

On behalf of the more than **400** individual business members of the Arizona Chamber of Commerce, I urge **you** to grant America West Airlines an exemption to provide nonstop service between Phoenix's Sky Harbor Airport and Washington, D.C.'s Ronald Reagan National Airport (**DCA**).

Our member companies frequently have business on Capitol Hill and meet with numerous government officials located in Washington, D.C. Because there is no nonstop service between Phoenix and **DCA**, those trips frequently are prolonged because they have to connect through another hub or travel to either **Dulles** International Airport or Baltimore Washington International Airport to catch a nonstop flight. However, there is only one nonstop flight at **Dulles** each day.

America West's proposal **will** bring an immediate benefit to businesses in the metropolitan Phoenix area, Phoenix is a major business commerce center in the western U.S. It is the sixth largest city in the country, one of the fastest growing metropolitan areas and is home to many large corporate facilities including Motorola, Honeywell and Intel. Our business community needs nonstop service to **DCA** to enjoy the same benefits that other business communities enjoy.

Nonstop service would greatly improve the convenience and efficiency of traveling between the two cities. For instance, passengers **traveling** between **DCA** and Phoenix would see travel times drop from the current average of **367** minutes to **274** minutes. This would result in an annual times savings of approximately **225,000** hours for Arizona passengers. Additionally, based on independent economic studies, bringing competition into Arizona markets will save an estimated **\$8.7** million for Arizona passengers on America West Airlines and competing airlines.

I urge **you** to award America West Airlines the slots necessary to serve **DCA** on a nonstop basis from Phoenix. Thank **you** for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Lawless'.

-Timothy D. Lawless
President/CEO

TDL/rah

1221 East Osborn Road, Suite 100, Phoenix, Arizona 85014
Phone (602) 248-9172 • Fax (602) 265-1262 • www.azchamber.com

CERTIFICATE OF SERVICE

I hereby certify that on this day I served a copy of the foregoing Answer of the City of Phoenix by first class mail, properly addressed, and with postage prepaid upon the following:

Joanne Young
David M. Kirstein
Baker & Hostetler, L.L.P.
One Washington Square, Suite 1100
1050 Connecticut Avenue, N.W.
Washington, D.C. 20036-5304
For: America West

C.A. Howlett
Sr. Vice President, Public Affairs
America West Airlines, Inc.
4000 E. Sky Harbor Boulevard
Phoenix, AZ 85034

Linda Mitchell
Vice President & General Counsel
America West Airlines, Inc.
4000 E. Sky Harbor Boulevard
Phoenix, AZ 85034

Carl B. Nelson, Jr.
Associate General Counsel
American Airlines, Inc.
1101 17th Street, N.W., Suite 600
Washington, D.C. 20036
For: American Airlines

Robert E. Cohn
Shaw Pittman Potts & Trowbridge
2300 N Street, N.W.
Washington, DC. 20037
For: Delta Air Lines

Edward P. Faberman
Ungartetti & Harris
1500 K Street, N.W., Suite 250
Washington, D.C. 20005-1714
For: Frontier Airlines

Glenn P. Wicks
The Wicks Group, PLLC
900 19th Street, N.W., Suite 350
Washington, D.C. 20006
For: Trans World Airlines

Joel Stephen Burton
Donald Bliss
O'Melveny & Myers
555 13th Street, N.W., Suite 500
Washington, D.C. 20004-1109
For: US Airways

Jeffrey A. Manley
Cathleen P. Peterson
Wilmer, Cutler & Pickering
2445 M Street, N.W.
Washington, D.C. 20037-1420
For: United Air Lines

Elliott M. Seiden
Megan Rae Rosia
901 15th Street, N.W., Suite 310
Washington, D.C. 20005
For: Northwest Airlines, Inc.

R. Bruce Keiner
Crowell & Moring, LLP
1001 Pennsylvania Avenue, N.W.
Washington, D.C. 20004-2595
For: Continental Airlines

Marshall Sinick
Squire, Sanders & Dempsey, LLP
1201 Pennsylvania Avenue, N.W.
Suite 400
Washington, D.C. 20004
For: American Trans Air

Jonathan Blank
Preston, Gates Ellis & Rouvelas
1735 New York Avenue, N.W.
Suite 500
Washington, D.C. 20006
For: The Port of Seattle

George U. Carneal
Hogan & Hartson, L.L.P.
555 Thirteenth Street, N.W.
Washington, D.C. 20004-1109
For: National Airlines, Inc.

The Honorable Jane Dee Hull
Governor of the State of Arizona
1700 West Washington
Phoenix, AZ 85007

The Honorable Mike Leavitt
Governor of the State of Utah
State Capitol, Room 210
Salt Lake City, UT 84114

The Honorable Rocky Anderson
Mayor, Salt Lake City
451 S. State Street, Room 306
Salt Lake City, Utah 84111

Tom Troske
Acting Director of Airports
Salt Lake City International Airport
776 North Terminal Drive
Salt Lake City, UT 84122

The Honorable James Gilmore, III
Governor, Commonwealth of Virginia
State Capitol, 3rd Floor
Richmond, VA 23219

The Honorable Anthony A. Williams
Mayor, District of Columbia
444 4th Street, N.W.
Suite 1100
Washington, D.C. 20001

James A. Wilding
President & CEO
Metropolitan Washington
Airports Authority
1 Aviation Circle, Suite 300
Washington, D.C. 20001

Christopher Brown
Airport Manager
Ronald Reagan
Washington National Airport
Washington, D.C. 20001

The Honorable Gray Davis
Governor of the State of California
State Capitol Building
Sacramento, CA 95814

The Honorable Richard J. Riordan
Mayor, City of Los Angeles
200 N. Main Street
Suite 800
Los Angeles, CA 90012

Lydia Kennard
Executive Director
Los Angeles World Airports
One World Way
P.O. Box 92216
Los Angeles, CA 90009

The Honorable Willie L. Brown, Jr.
Mayor, City of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

John L. Martin
Airport Director
San Francisco International Airport
P.O. Box 8097
San Francisco, CA 94128-8097

The Honorable Bill Owens
Governor of the State of Colorado
136 State Capitol
Denver, CO 80203-1792

The Honorable Wellington Webb
Mayor, City of Denver
1437 Bannock Street, Suite 350
Denver, CO 80202

Bruce Baumgartner
Manager of Aviation
Denver International Airport
Airport Office Building
8500 Peña Boulevard
Denver, CO 80249

The Honorable Kenny Guinn
Governor of the State of Nevada
101 N. Carson Street
Carson City, NV 89701

The Honorable Oscar B. Goodman
Mayor, City of Las Vegas
400 East Stewart Avenue
Las Vegas, NV 89101

Randall H. Walker
Director of Aviation
McCarran International Airport
Clark County Department of Aviation
P.O. Box 11005
Las Vegas, NV 89111-0005

The Honorable Gary Locke
Governor of the State of Washington
State Capitol, Legislative Building
Olympia, WA 98504-0002

The Honorable Paul Schell
Mayor, City of Seattle
600 Fourth Avenue, 12th Floor
Seattle, WA 98104

Gina Marie Lindsey
Managing Director
Seattle-Tacoma International Airport
P.O. Box 68727
Seattle, WA 98168

A handwritten signature in black ink, reading "Mira Aiello". The signature is fluid and cursive, with a horizontal line drawn underneath the name.

Mira Aiello

May 22, 2000